

**FBIS**

# DAILY REPORT

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*China*

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PRC TO HELP FINANCE UN PEACE-KEEPING OPERATIONS

OW110746 Beijing XINHUA in English 0734 GMT 11 Dec 81

[Text] United Nations, December 19 (XINHUA) -- A resolution on China's financing of U.N. peace-keeping operations was adopted by the General Assembly this afternoon.

The resolution, approved by a vote of 115 in favor and 13 against with no abstentions, expressed welcome to the understanding that China will contribute her share of assessed expenses for existing peace-keeping operations in the Middle East.

The resolution, submitted by the fifth (administrative and budgetary) committee, requested the U.N. secretary general to compute and transfer to a special account the balances of the assessed contribution due from China between October 25, 1971 and December 31, 1981, in respect of peace-keeping operations, without involving the application of Article 19 of the U.N. Charter.

Article 19 stipulates that a U.N. member in arrears in the payment of its financial contributions shall have no vote in the General Assembly if the amount of its arrears equals or exceeds the amount of the contributions due from it for the preceding two full years.

Ling Qing, China's permanent representative to the United Nations, declared at a meeting of the fifth committee ten days ago that in view of the changes that have taken place in the international situation and the evolution of the role of the U.N. peace-keeping operations, the Chinese Government is prepared from now on to adopt a flexible attitude, on a case-by-case basis, towards U.N. peace-keeping operations. Since the draft resolution, put forward by Pakistan and 13 other countries, had been adopted, China would contribute her share of expenses for the two existing U.N. peace-keeping forces in the Middle East, effective January 1, 1982.

The two forces were in reference to the United Nations Disengagement Observation Force (UNDOF) and the United Nations Interim Force in Lebanon (UNIFIL).

Owing to historical and political reasons, China used to take a negative attitude towards the U.N. peace-keeping operations. She refrained from taking any vote on Security Council resolutions concerning the three U.N. peace-keeping forces in the Middle East formed after 1973 and declared that she would undertake no financial obligations for these operations.

STATE COUNCIL ANNOUNCES FOREIGN SERVICE POSTS

OW110309 Beijing XINHUA Domestic Service in Chinese 1509 GMT 8 Dec 81

[Text] Beijing, 8 Dec (XINHUA) -- The State Council appointed a number of personnel to work at embassies in foreign countries on 19 October and 4 November.

Fang Lian [2455 6647], counsellor at the embassy in the People's Republic of Congo; Liu Xianglun [0491 4382 4858], minister counsellor at the embassy in the Kingdom of Belgium; Yin Dexing [1483 1795 5281], minister counsellor at the embassy in the Republic of Tunisia; Tie Ying [6993 5391], commercial counsellor at the embassy in the Republic of Tunisia; Qi Huaiyuan [7871 2037 6678], minister counsellor at the embassy in the Federal Republic of Germany; Ji Ge [0679 2047], commercial counsellor at the embassy in the Islamic Republic of Pakistan; Wang Disan [3769 4574 0005], consul general in Karachi; Liang Feng [2733 2800], counsellor at the embassy in the Kingdom of Thailand; Du Yushu [2629 3768 2579], commercial counsellor at the embassy in the Kingdom of Thailand; Wu Huayuan [0702 0553 6678], minister counsellor at the embassy in the Arab Republic of Egypt; Zhao Yang [6392 7122], economic counsellor at the embassy in the Arab Republic of Egypt; Lu Yuehe [7627 2867 0735], economic counsellor at the embassy in the People's Republic of Bangladesh; Guo Jie [6753 3381], charge d'affaires of the embassy in the Kingdom of the Netherlands; Chen Tie [7115 6993], counsellor at the embassy in the

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PRC INTERNATIONAL AFFAIRS  
GENERAL

in the Czechoslovak Socialist Republic; Shen Yunao [3088 0336 3581], counsellor at the embassy in the Republic of Peru; Zhao Zhaoming [1728 0340 6900], commercial counsellor at the embassy in the People's Republic of Hungary; Wang Yun [3769 0061], economic counsellor at the embassy in the Arab Republic of Yemen; Yan Peide [7051 1014 1795], economic counsellor at the embassy in the Republic of Iraq; Yang Rongjie [2799 2837 2638], economic counsellor at the embassy in the Democratic People's Republic of Korea; Wang Kun [3769 3824], economic counsellor at the embassy in the Republic of Sri Lanka; Bao Liangcai [7637 5328 2088], commercial counsellor at the embassy in the Republic of Sri Lanka; Qiu Xibo [6726 3556 0130], economic counsellor at the embassy in the Socialist Republic of the Union of Burma; He Cheng [0149 2052], economic counsellor at the embassy in the Socialist Republic of Romania; Wu Lan Mu Lun [3527 5695 2606 0243], economic counsellor at the embassy in the Socialist Republic of Romania; Wu Lan Mu Lun [3527 5695 2606 0243], economic counsellor at the embassy in the People's Democratic Republic of Yemen; Pan Daoguang [3382 6670 1639], economic counsellor at the embassy in the Democratic and People's Republic of Algeria; Chen Yongcai [7115 3057 2088], economic counsellor at the embassy in Socialist Ethiopia; Zhong Jianhua [6988 0494 5478], economic representative at the Office of Economic and Commercial Representatives in the United Republic of Tanzania; Xu Dexian [1776 1795 0341], economic counsellor at the embassy in the United Republic of Cameroon; Zhang Junquan [1728 1498 3123], commercial counsellor at the embassy in the United Republic of Cameroon; Yuan Kexian [5913 0344 6343], economic counsellor at the embassy in the Republic of Mali; Chen Mao [7115 5399], economic counsellor at the embassy in the Republic of Zambia; Fang Nanjun [2455 0589 0689], economic counsellor at the embassy in the Syrian Arab Republic; Li Chengwei [2621 2110 3634], economic counsellor at the embassy in the Republic of Kenya; Wang Zichuan [3769 1311 1557], representative (with the rank of minister) to the United Nations Industrial Development Organization; Sang Zhixing [2718 1807 5887], commercial counsellor at the embassy in the United Kingdom of Great Britain and Northern Ireland; and Li Chuan [2621 1557], commercial counsellor at the embassy in Switzerland.

#### CENTRAL EUROPE TROOP REDUCTION TALKS STALL

OW110839 Beijing XINHUA in English 0750 GMT 11 Dec 81

[Text] Vienna, December 10 (XINHUA) -- The 25th round of negotiations for the reduction of forces in Central Europe ended here today without being able to break the deadlock.

The negotiations involving 19 countries of NATO and the Warsaw Treaty Organization have lasted for eight years and two months, and met in 292 plenary sessions.

The Soviet Union, Czechoslovakia, the Democratic Republic of Germany and Poland proposed at the last plenary session that a group be formed at the beginning of the next round of negotiations to start preparations for a draft agreement of the conference, according to head of the G.D.R. delegation (Andre Vieland) who spoke at a press conference here today on behalf of the Warsaw Pact countries. These countries demanded again that in order to improve conditions for a disarmament agreement, no military personnel should be added to central Europe during the Vienna negotiations.

Speaking for NATO at a press conference, (W. De Vos), head of the Netherlands delegation, said that unless agreement is reached on the controversial number of the Warsaw Pact's military forces and reasonable supervision measures, there would be no progress in the negotiations. He said, "Without real progress on such key issues as data and relevant measures, it will be meaningless to draft any document for the conference."

The next round of negotiations will start on January 28, 1982.



ASEAN FOREIGN MINISTERS DISCUSS KAMPUCHEA ISSUE

OW101800 Beijing XINHUA in English 1649 GMT 10 Dec 81

[Text] Pattaya, Thailand, December 10 (XINHUA) -- The one-day foreign ministers' meeting of the Association of Southeast Asian Nations (ASEAN) ended here this afternoon, declaring that as for the formation of a Kampuchean coalition government, "the ASEAN foreign ministers believed that the matter was essentially for the Kampuchean people themselves to decide."

The meeting stressed the need for a political solution of the Kampuchean problem and bringing into force the Singapore new proposal.

The meeting was sponsored by Thailand and presided over by Singapore Foreign Minister Suppiah Dhanabalan. Foreign ministers and senior foreign ministry officials of the five ASEAN states -- Thailand, Malaysia, Singapore, the Philippines and Indonesia -- attended the meeting.

In a joint press statement issued this afternoon, the ASEAN foreign ministers "welcomed the progress made towards the formation of a coalition government" and expressed their "full support" for the proposal made public by Singapore in Bangkok on November 24, 1981.

Commenting on the Singapore proposal contained in a press communique, Democratic Kampuchea, in a statement by its Information Ministry on November 27, stated "1. The press communique was released by Rajaratnam himself before His Excellency and the Singapore delegation wound up their visit to Bangkok and returned to Singapore. 2. No joint statement of any kind was signed during the meetings on November 22-23 between the three Kampuchean sides and His Excellency Rajaratnam. 3. The Democratic Kampuchean side had serious and detailed discussions with Rajaratnam on His Excellency's proposal, but it did not specify explicitly its position and only indicated that it would give the proposal further and serious consideration. This was because the proposal constitutes a new problem and does not conform to the major progress made in Bangkok by the tripartite ad hoc committee, the accomplishment on Nov. 14, 1981, in particular. His Excellency Rajaratnam suggested that the Democratic Kampuchean side consider his proposal within two months."

REPORT ON ZHAO TALK WITH HONG KONG BUSINESSMAN

HK110853 Beijing ZHONGGUO XINWEN SHE in Chinese 1515 GMT 10 Dec 81

[Feature by ZHONGGUO XINWEN SHE correspondent Lin Hua [2651 5478]: "Sidelights on Premier Zhao's Meeting With Gordon Wu"]

[Text] Beijing, 10 Dec (ZHONGGUO XINWEN SHE) -- At dusk on 9 December the Ziguan Hall in Zhongnanhai was brightly lit. Premier Zhao had made an appointment to meet Gordon Wu, a Hong Kong industrialist here.

Mr Wu came to Beijing to have talks with the relevant departments on transactions in the construction of the new urban district in Shenzhen, Guangdong Province and China's first expressway linking Shenzhen, Guangzhou and Gongbei. The initial investment in these two construction projects amount to billions of Hong Kong dollars, which is the biggest of foreign investments to date.

Hu Ying-hsiang, 46, is a native of Hua County, Guangdong Province, who deals in property in Hong Kong. In the 1950's after studying civil engineering in the United States, he became a civil engineer. He is, now, general manager of the Hopewell Holdings Ltd., Hong Kong, and the 66-story Hopewell center that was completed early this year and is the tallest building in Asia was personally designed by him.

When Mr Gordon Wu came to Ziguang Hall at 1730, he saw that Premier Zhao was already waiting for him. He excitedly came up to Premier Zhao and heartily shook hands with and greeted him.

Premier Zhao told Mr Wu that he had already discussed with Vice Premier Gu Mu about his plans and tentative ideas. Both Zhao and Gu thought that Wu's decision was correct, far-sighted and brave, and that Wu's action manifested his confidence in China's political situation and open-door policy.

Gordon Wu told Zhao Ziyang that he thought the construction of a modern special economic zone required corresponding modern transportation facilities, and therefore, he had decided to make his due contributions to the economic construction of the motherland.

Zhao Ziyang praised Gordon Wu for his willingness to invest such a huge amount of money in the motherland, making a good beginning for the investment of large sums. He asked Wu, "Do your friends in Hong Kong know about your decision?" Gordon Wu said, "Yes, some do. But they are worried. One has to 'break through five paths and kill six generals,' if one wants to get anything done on the mainland." Premier Zhao laughed and said, "You may count yourself lucky, if there are only 'five paths' to 'break through!' You have to explore a new road! Tell us immediately whenever there is an obstacle blocking your path. We will help you." Later he said, "You should be mentally prepared by realizing the fact that if one wants to achieve something, he is bound to meet difficulties. Nevertheless, your grand plan will certainly succeed."

Gordon Wu was greatly encouraged by Zhao Ziyang's kind words. The interview lasted 40 minutes. On departure, Gordon Wu presented Premier Zhao with the blueprint of the whole project.

After the interview, Gordon Wu told this correspondent that his aim in coming to Beijing this time was to discuss with the relevant departments the concrete problems on the construction work of these two projects that are scheduled to begin next year. On 8 December, Vice Premier Gu Mu met him and his party, but he had never dreamed that Premier Zhao, who is so busy with the affairs of the nation, would make a special appointment to meet him. He felt greatly honored by the interview. He said that he was determined to go all out in getting the work started and was confident that with the support from all the sectors in the country, together they would surely achieve the anticipated results. For this reason, he was full of confidence.

#### GU MU MEETS HONG KONG BUSINESSMEN TO NPC, CPPCC

OW101614 Beijing XINHUA in English 1500 GMT 10 Dec 81

[Text] Beijing, December 10 (XINHUA) -- Gu Mu, vice-premier of the State Council, had an informal discussion here this afternoon with business people from Hong Kong. They exchanged views on domestic economic construction and further economic and trade activities with foreign countries.

The guests from Hong Kong, who are attending the Fourth Session of the Fifth National Committee of the Chinese People's Political Consultative Conference and the Fourth Session of the Fifth National People's Congress, are: Wong Kwancheng, chairman, and Tong Ping-tat, vice-chairman, of the Chinese General Chamber of Commerce of Hong Kong; Ho Hsien, chairman, and Ma Wan-chi, vice-chairman, of the Macao Chinese Chamber of Commerce; and Fei Yi-ming, publisher of Hong Kong TA KUNG PAO.

Present for the occasion were Hu Zi'ang, chairman of the All-China Federation of Industry and Commerce, and Zhou Jiannan, vice-minister of the Administrative Commission on Import and Export Affairs of China.

TALKS WITH INDIA ON BORDER ISSUE OPEN 10 DEC

OW101534 Beijing XINHUA in English 1523 GMT 10 Dec 81

[Text] Beijing, December 10 (XINHUA) -- Chinese and Indian officials began talks here this morning. The Chinese officials led by Han Nianlong, vice-minister of foreign affairs, and the Indian officials headed by Eric Gonsalves, Indian secretary of Ministry for External Affairs, took part in the talks. In today's talks, the two sides expressed common aspirations for the settlement of the Sino-Indian border problem and the development of relations between the two countries, and reached identical views on procedural matters.

This afternoon, the officials of the two countries held discussions in groups. The talks proceeded in a sincere and friendly atmosphere.

Indian Ambassador to China M.K.S. Bajpai was present at the talks.

PRC, PAKISTAN SIGN PROTOCOL ON TECHNICAL MEETING

OW021300 Beijing XINHUA in English 1223 GMT 2 Dec 81

[Text] Beijing, December 2 (XINHUA) -- Chinese Vice-Premier Chen Muhua met here today with a scientific and technical cooperation delegation of the Pakistan Government led by (Shaikh Manzoor Ahmed), secretary of the Ministry of Science and Technology. The delegation had attended the fourth session on scientific and technical cooperation between China and Pakistan in Beijing.

After the meeting, a protocol on the session was signed by Shi Lin, Chinese vice-minister of economic relations with foreign countries, and Secretary (Shaikh Manzoor Ahmed) on behalf of their respective governments. Vice-Premier Chen attended the signing ceremony. (Afzal Qadir), charge d'affaires ad interim of the Pakistan Embassy in Beijing, was present on the occasion. The Pakistan visitors will leave here tomorrow to tour Shanghai, Hangzhou and Guangzhou.

PAKISTAN DISMISSES USSR REPORT ON U.S. BASES

OW101840 Beijing XINHUA in English 1830 GMT 10 Dec 81

[Text] Islamabad, December 10, (XINHUA) -- Pakistan today flatly dismissed as "totally unfounded and malicious" a Radio Moscow report that U.S. Secretary of State Alexander Haig would discuss the use of Pakistan air and naval bases during his forthcoming visit here next week. A spokesman of the Pakistan Foreign Office said that the sole purpose of such speculations was to malign Pakistan and create misunderstanding between Pakistan and its friends in the region.

The Pakistan Government has reaffirmed more than once that it will never allow any country, including the United States, to establish military bases on Pakistan soil.

"The nonaligned position of Pakistan," the spokesman said, "has been made clear to the United States which has assured us of its understanding for our policies. The international community is also fully aware that we remain firmly committed to the principles of nonalignment."

Radio Moscow's recent commentaries have sought to insinuate by quoting a U.S. defense specialist of the Rand Corporation that the United States has shown interest in the use of naval and air bases in Pakistan. The Foreign Ministry comment was made when Pakistan has officially announced Haig's visit during which a 3.2 billion dollar military and economic package offered by the U.S. to Pakistan would be discussed.

FURTHER COVERAGE OF VISIT BY SUDAN'S KHALIL

Meets Hu Yaobang 9 Dec

OW091254 Beijing XINHUA in English 1239 GMT 9 Dec 81

[Text] Beijing, December 9 (XINHUA) -- Hu Yaobang, chairman of the Chinese Communist Party Central Committee, discussed party and government relations between China and the Sudan with General 'Abd al-Majid Hamid Khalil, first vice-president of the Sudan and general secretary of the Sudanese Socialist Union, in the Great Hall of the People here today.

The first vice-president said Sudan-China cooperation is established under correct principles. "In recent years," he said, "the relations between the two parties and governments have greatly developed." General Khalil praised the role China has played in international affairs. He said, "China is a friend of the Third World countries. The strength of China is also that of the people of the Third World countries."

Chairman Hu thanked the Sudanese party and government for their trust in China. "Owing to the mutual understanding and trust between us, our friendship has withstood a long-term test," he said. "Such genuine friendship will not be sabotaged by anyone. The relations between the two parties and governments will grow steadily." Discussing the current international situation, Hu expressed admiration for the Sudanese Government and people's efforts in opposing hegemonist aggression and expansion and in maintaining Arab unity and the unity among Third World countries. "Your work in this regard has contributed to world peace," Hu said.

Chinese Vice-Premier Gen Biao, Vice-Minister of Foreign Affairs He Ying and deputy head of the International Liaison Department of the CCP Central Committee Li Shuzheng attended the meeting. Also present were principal members of First Vice-President Khalil's party and Sudanese Ambassador to China Muhammad Hamad Muhammad Matar.

Fetes Zhao Geng Biao

OW101648 Beijing XINHUA in English 1625 GMT 10 Dec 81

[Text] Beijing, December 10 (XINHUA) -- Sudanese First Vice-President 'Abd al-Majid Hamid Khalil gave a reciprocal banquet here in the Great Hall of the People this evening. Present at the banquet were Zhao Ziyang, Chinese premier of the State Council; Banqen Erdini Qoigi Gyancan, vice-chairman of the Standing Committee of the National People's Congress; and Geng Biao, vice-premier of the State Council.

In his speech at the banquet, First Vice-President Khalil detailed the achievements of the Sudanese people in strengthening political stability, developing the national economy and opposing outside interference. He also mentioned results achieved in the economic and technological cooperation between the Sudan and China. The first vice-president said that the international economic situation at present has brought difficulties to the Third World countries and in order to form a new international economic order, a South-North dialogue is needed. "This dialogue is not only for international economic cooperation but also for world peace," he said. First Vice-President Khalil said that the Sudanese people feel happy at the political stability achieved in China. "We welcome the proposal put forward by the Chinese Government about Taiwan's return to the motherland," he said.



"We follow with admiration the achievements made by the Chinese people in the fields of industry, agriculture, culture and science." The first vice-president said that talks between the two sides were successful.

Premier Zhao said that the talks between First Vice-President Khalil and Chinese leaders over the past few days have deepened mutual understanding and enhanced friendship between the Chinese and Sudanese peoples. He said the talks show that the two sides have identical or similar views on many important world issues. "The Chinese Government and people, as always," he reiterated, "firmly support the Sudanese Government and people's just cause of opposing outside interference, safeguarding national unity and developing national economy."

He said to strengthen friendship and cooperation with the other Third World countries is China's policy. Expressing admiration for the Sudan's position on a North-South dialogue, Premier Zhao said, "The call for reforming the old international economic order and establishing a new one accords with the direction of social development, and therefore is just and reasonable. In the grim political and economic situation of today, he said, the improvement of North-South relations has close bearings on peace and stability in the world. "Together with the other developing countries," he said, "China will take an active part in reform which is of great historical significance."

Among those present at the banquet were members of First Vice-President Khalil's party and Sudanese Ambassador to China Muhammad Hamad Muhammad Matar.

#### Loan Agreement Signed

OW101600 Beijing XINHUA in English 1532 GMT 10 Dec 81

[Text] Beijing, December 10 (XINHUA) -- A loan agreement and 1982-1983 executive plan for cultural cooperation between the Chinese and Sudanese Governments were signed here today. Present at the signing ceremony were Chinese Premier Zhao Ziyang, Vice-Premier Geng Biao and the First Vice-President of the Sudan General 'Abd al-Majid Khalil.

#### EGYPTIAN OFFICIAL PRAISES RELATIONS WITH PRC

OW110827 Beijing XINHUA in English 0754 GMT 11 Dec 81

[Excerpts] Cairo, December 10 (XINHUA) -- Egypt's main concern in the Middle East region is to increase the degree of stability and eliminate superpower intervention in the region, said Egyptian First Under-Secretary of Foreign affairs and Director of the Presidential Office Usamah al-Baz in an exclusive interview with XINHUA correspondents Chen Peiming and Wang Deming today.

He expressed his belief that the prospect for achieving a comprehensive and just peace in the Middle East is brighter today than it was three years ago. "The peace treaty between Egypt and Israel is only the first application of the principles enumerated in the framework of a comprehensive peace in the Middle East," he said.

On the Nonaligned Movement of which Egypt is an important member, Usamah al-Baz said, "Today, we will make contacts with India, Yugoslavia and other leading members of the movement with a purpose to rejuvenate the movement."

Usamah al-Baz also praised the good relations between Egypt and China. "At no point had we felt that China was exerting pressure on us even in time of need. At no point did we feel that China did not help us when it could."



XINHUA COMMENTS ON HUANG HUA'S AFRICA TOUR

OW110647 Beijing XINHUA Domestic Service in Chinese 1732 GMT 7 Dec 81

[Text] Beijing, 7 Dec (XINHUA) -- Huang Hua, vice premier of the State Council and concurrently minister of foreign affairs, led a delegation on an official friendly visit to five countries in West Africa -- Nigeria, Guinea, Mali, Senegal and Ghana -- from 17 November to 6 December, taking along the Chinese people's friendly sentiments toward the African people.

Although China and Africa are miles apart and national conditions are different, Vice Premier Huang Hua and his party were cordially received and warmly welcomed by the governments and people of all the host countries they visited. During the visit, the heads of state of the five countries received Vice Premier Huang Hua and his party and had cordial and friendly talks with them. All this has fully reflected the militant friendship between the African and the Chinese people.

China and the African countries belong to the Third World and have common experiences and tasks. For this reason, in their talks Vice Premier Huang Hua and the heads of state and government leaders of these countries shared identical or almost identical views on most issues. In their talks, they opposed racism and racial discrimination in South Africa, the Middle East and other parts of the world and condemned all forms of foreign rule, pointing out that the struggle waged by Africa and the other Third World countries for economic independence and for building a new international economic order is an important task today. They pledged continuous common efforts in promoting and safeguarding peace in Africa and the world.

In the common struggle against imperialism, colonialism, hegemonism and racism and in the struggle to safeguard national independence and national construction, the Chinese and African people have always sympathized and supported each other. During his visit to these countries, Vice Premier Huang Hua reiterated that the Chinese Government will always implement the foreign policy set forth by Chairman Mao Zedong and Premier Zhou Enlai, always side with the Third World countries, resolutely support their just struggle and make positive contributions in opposing hegemonism and defending world peace. The African leaders warmly praised the tremendous achievements made by the Chinese people under the leadership of the CCP and highly assessed the friendship and cooperation between Africa and China. They expressed satisfaction over the development of bilateral relations of friendship and cooperation and expressed full confidence in further developing these relations. During the visit, China signed a long-term trade agreement and an agreement on cultural cooperation with Nigeria and signed a 5-year cultural cooperation agreement with Ghana. On behalf of Premier Zhao Ziyang, Vice Premier Huang Hua extended invitations to Senegalese President Diouf and Nigerian President Shagari to visit China at a time they considered suitable, which they gladly accepted.

COVERAGE OF 5TH NPC, 5TH CPPCC SESSIONS CONTINUE

## NPC Meets, Adopts Resolutions

OW111224 Beijing XINHUA in English 1214 GMT 11 Dec 81

[Text] Beijing, December 11 (XINHUA) -- The Presidium of the Fourth Session of the Fifth National People's Congress held its third meeting here this afternoon to hear a report on the examination of the bills submitted to the congress.

It also adopted three draft resolutions and approved a nomination for vice-chairmanship of the N.P.C. Standing Committee.

In his report, Xi Zhongxun, chairman of the bills committee, said that the formulation of a contract law and a foreign enterprise income tax law was necessary for protecting the legitimate rights of contracting parties, carrying out the economic responsibility system, raising economic efficiency, absorbing foreign investment and promoting socialist modernization.

He said that the bills committee had suggested some revisions to the two draft laws, and proposed to submit the revised drafts to the plenary meeting of the congress for approval.

Xi Zhongxun said that the civil procedural law (draft) was appropriate and practical and such a law was urgently needed. But, because of the complexity of matters, Xi Zhongxun said, it needed perfection in the course of practice. The bills committee proposed that the congress approve the law in principle and promulgate it for trial implementation.

The Presidium discussed the report and decided to submit it to the congress for examination.

The three draft resolutions adopted at the meeting are:

- A draft resolution on the work report of the N.P.C. Standing Committee;
  - A draft resolution on the work reports of the Supreme People's Court and the Supreme People's Procuratorate; and
  - A draft resolution on the launching of a nationwide voluntary tree-planting campaign.
- The Presidium made some comments and suggestions concerning the enforcement of the resolution.

The draft resolutions will be submitted to the N.P.C. plenary session for approval.

The nomination will also be discussed by the deputies attending the current N.P.C. session.

## Deputies Make Suggestions

OW091135 Beijing XINHUA domestic Service in Chinese 1400 GMT 8 Dec 81

["Criticism and Suggestions -- NPC Deputies' and CPPCC Members' Opinions" -- XINHUA headline]

[Excerpts] Beijing, 8 Dec (XINHUA) -- It Is Necessary To Simplify Government Organizations and Establish a System of Responsibility

Ren Zhongyi, NPC deputy and first secretary of the Guangdong Provincial CCP Committee, said overcoming bureaucracy can be achieved by simplifying government organizations, but this must be supplemented by establishing a system of responsibility and improving work methods as well as other important measures. Nowadays, it is difficult to get things done. The reason is there are too many links, and each link can exercise its veto power. Not only has mutual vetoing been exercised among various departments, but the lower level can vote down the decision of the higher level within a department. A decision made by a minister will not be followed if it is rejected by a department chief or even a section chief.

Unless this problem is solved, work efficiency will still be low, and it will still be difficult to get things done even if government organizations are simplified.

To solve this problem it is necessary to institute a system of responsibility at every level and to combine responsibility, authority and interests into one so that each level has its responsibilities and authority. This will enable each level to mean what it says and to cut down on unnecessary disputes over trifles.

In addition, work methods must be improved. Leading organs should concentrate forces to do a good job in administering matters of great importance. They should see to it that necessary centralized, unified leadership is practiced while paying attention to enhancing the enthusiasm of each level.

#### Let the Masses of Peasants See More Films

Xie Tieli, NPC deputy and director of the Beijing film studio, said, after their economic incomes have increased by a big margin, the peasants need industrial products. At the same time, they also need spiritual comfort. In other words, they want to see theatrical shows and movies. As producers of spiritual products, we should follow the example of workers and produce more products to satisfy the peasants' needs.

#### A Number of Problems on the Popularization of Agricultural Science and Technology Should Be Solved.

Bao Wenkui, NPC deputy and research fellow at the Chinese Academy of Agricultural Sciences, said: I am particularly pleased that agriculture has been given first place in the 10 principles for economic development contained in Premier Zhao Ziyang's report. To boost the development of agriculture, we must rely on policies and science. How should we rely on science? I believe three problems need solving under the present conditions: 1) It is necessary to establish a system of popularizing agrotechniques; 2) as agricultural production is comprehensive undertaking, there must be a division of labor and cooperation in agricultural research. At present, there are too many research items, and quite a number of independent, specialized units have been established. This is unfavorable for serving agricultural production; 3) it is necessary to encourage agricultural scientists and technicians to work in frontier areas.

#### The State Should Legislate on the Establishment of Publications

Wang Shixiang, NPC deputy and member of the PLA delegation, said, the number of newspapers and other publications in China has kept increasing. From the national level down, various provinces, prefectures, cities, counties, factories, communes and other departments, fields including industry, agriculture, the army, education, commerce, and well-being for women and children; and departments in literature, history, philosophy, mathematics, physics, chemistry and others publish newspapers and journals. Some of the publications with healthy contents are full of vigor and vitality. They are welcomed by the readers. However, a considerable number of newspapers and journals are of low quality with very few subscribers. Some of the editorial staff have made use of the newspapers and journals to establish illicit relationships, secure advantages through influence and carry out illegal practices. Some newspapers and journals have even published works that encourage departure from the leadership of the party and from socialism and encourage bourgeois liberalism. These works have produced harmful effects among the masses.

In view of the limited financial resources and manpower of the state and in order to raise the quality of newspapers and journals, I suggest that the leadership at all levels make a check of the present newspapers and journals and suspend those that are badly run.

At the same time, legislation should be proposed for running newspapers and journals so that they would make even greater contributions to serving the people and socialism and to developing a high degree of socialist spiritual civilization.

#### Spending on Cultural Relics in Shaanxi Should Be Increased

Yu Mingtao, NPC deputy, secretary of the Shaanxi Provincial CCP Committee and governor of Shaanxi, and deputy head of Lintong County Ling Liande, said Shaanxi Province is rich in cultural relics. About 2 million relics are preserved there. When the province was hit by floods this year, many ancient buildings and relics were damaged. Repairs are urgently needed.

We suggest that the state attach importance to protecting cultural relics as well as to developing tourism in the province and include this in its plan and increase spending on cultural relics.

#### Spiritual Civilization Viewed

OW110311 Beijing XINHUA Domestic Service in Chinese 1630 GMT 9 Dec 81

[Text] Beijing, 9 Dec (XINHUA) -- In discussing the building of socialist spiritual civilization, Sichuan deputies to the Fourth Session of the Fifth NPC have put forth their views and suggestions.

Deputy Tan Qilong said while education and scientific research should be integrated with production practices, some places are deviating from this orientation. For example, most institutes of agriculture, forestry, animal husbandry, veterinary medicine and mining are set up in cities and those originally established in the countryside are also squeezing into the cities. This does not serve the purpose of integrating research with production practices. The national research institute of animal husbandry, which was once located in Qinghai, has been moved back to Beijing which is far away from the research targets. Comrade Hou Guangjiong [0186 0342 3518] has been working in a grassroots unit studying soil structure. He is 76 years old but still works in a production team on how to improve the muddy fields. While I support this kind of spirit, other departments and scientific and technical personnel do not. Instead of running so many ordinary middle schools in the rural areas, efforts should be made to establish more and different types of specialized schools for training personnel to cultivate mulberry for silk worms, tobacco and fruits. Agriculture relies on science and we should start training specialized personnel to do the job; otherwise, we will end up with many jacks-of-all-trades and masters of none. We will be taking a tortuous road if the educational system is not reformed. Deputies Lu Dadong, Qian Wuhang [6929 3019 5435] and Tang Fulin [3282 1381 7792] said that scientific research institutes and departments at all levels have set up independent, duplicate organizations which are scattered. They suggested that the State Council adopt corresponding measures so that the existing scientific and technical forces in our country can be effectively put into play.

Deputies Huang Rongchang, Pei Changhui [5952 2490 2585] and Li Shifen [2621 1395 5613] presented their views on primary and middle school education, especially rural primary and middle school education, based on their findings from an inspection tour. They said although 95 percent of the school age children are attending schools in Yaan County where the administrative office is located, the quality of the teachers is poor. Only 10 percent of the more than 800 teachers of the people-run schools in the county passed this year's test. The quality of primary school graduates is also poor. After the responsibility system was introduced in the countryside, the broad masses of peasants consider it urgent to improve rural primary and middle schools both quantitatively and qualitatively so that the knowledge of scientific farming can be spread quickly. In many places however, only a little over 10 percent of the rural primary graduates are qualified to enter middle schools. If this situation continues, it will hamper the progress of modernization.



Deputies A Deng [7093 4098], Yu Qianli [0205 0578 6849] and Peng Xianqing [1756 6343 3237] expressed their opinion on strengthening ideological education among the youths and on changing the mood of society. Deputy Qian De [6929 1795] said the current state of mind of some university students merits our attention. Upon entering universities, the students consider themselves God's favored ones. On campus, they are too fastidious about their food or clothing; at home, they are pampered to the point that they do not even know how to wash their own clothes. How can proletarian successors be reared this way? The deputies held that spiritual civilization is an important hallmark of a socialist country. We must earnestly carry out education on the Marxist-Leninist world outlook; otherwise, ideas of anarchism, egalitarianism and individualism will spread and socialist modernization cannot be accomplished.

#### Chang Jiang Controls Proposed

OW110855 Beijing XINHUA in English 0819 GMT 11 Dec 81

[Text] Beijing, December 11 (XINHUA) -- Ways and means of controlling the Yangtze River have been proposed by deputies from China's most populous Sichuan Province at panel meetings of the National People's Congress here.

The proposals include controlling Yangtze tributaries in the province, taking biological measures to stop mud and rock flows, planting trees and grass, and protecting forests.

Carrying out these proposals can prevent soil from being washed into the rivers and reduce silt in the Yangtze, the deputies said. Sichuan suffered from rare floods last summer when mountain torrents laden with silt cascaded into the rivers.

Lu Dadong, governor of the province, said that Premier Zhao Ziyang in his report had urged the province to plant trees and grass in the upper reaches of the Yangtze River and conserve water and soil. "We will work out a concrete plan to carry out his instruction," he said.

A headquarters headed by Vice Governor Yang Zhong was set up last September to control the 22 major rivers in the province, Lu Dadong said. It decided to start planting trees and grass next spring in the upper reaches of the rivers and build water and soil conservation projects.

Liu Yunzhong, a leading member of the Chengdu branch of the Chinese Academy of Sciences, said that mud and rock flows occurred very often in the upper reaches of the Yangtze and were an important source of heavy silt in the water. Scientists under his branch had devised effective measures to control the flows, and these measures should be popularized, he said.

At the warnings of a possible mud and rock flow in Ya'an, western Sichuan, a few years ago, scientists had rushed to the spot and instructed the peasants to plant fast-growing shrubs and grass and build water drainage works in the dangerous area. As a result, no mud and rock flow occurred there despite heavy rainfalls last summer.

Liao Shiquan, vice minister of railways who had worked in Sichuan for 20 years and is a deputy from the province, said that cement should replace timber for railway sleepers so that less trees could be felled in the province.

Tang Kebi, woman deputy secretary of the Suining County party committee, said that marsh gas should be used more widely in the countryside. "Once the peasants use marsh gas for fuel, they will fell less trees or cut less grass," she said. Sichuan, which has more than five million marsh gas pits, now leads in China's marsh gas production.



## PLA Backs Tree Planting Drive

OW101426 Beijing XINHUA in English 1212 GMT 10 Dec 81

[Text] Beijing, December 10 (XINHUA) -- Officers and men of the People's Liberation Army Beijing units have planted 468,000 trees, cultivated 338,000 square meters of lawns and built 400 flower beds in the capital this year.

This was stated by Wang Ping, deputy from the P.L.A. and political commissar of the P.L.A. General Logistics Department, at a National People's Congress panel discussing the State Council's proposal of launching a nationwide voluntary tree-planting campaign.

In the past three years officers and men of the whole army have planted 20 million trees across the country each year, he said. Besides, the army has afforested 13,730 hectares covering large expanses of barren land.

Many army units have taken tree-planting as one of their duties, the commissar said. Their slogan is "every soldier should plant trees."

The commissar cited two outstanding examples: the garrison of a naval base in northeast China has afforested 13 barren hills since 1958. One regiment of the P.L.A. Drumqi units in Xinjiang, northwest China, has planted over half a million trees and 50 shelterbelts on Gobi Desert areas in the past 16 years.

"To fulfill its part in the proposed nationwide voluntary tree-planting campaign," Wang Ping said, "the army plans to afforest another 93,000 hectares of extensive barren land by 1985. In addition, officers and men will plant 10 million trees every year around their camp areas and along the roads leading to their camps."

## Improving Literary, Art Work

OW102357 Beijing XINHUA Domestic Service in Chinese 0208 GMT 9 Dec 81

[Excerpts] Beijing, 9 Dec (XINHUA) -- Referring to the work of the press, literature and art during panel discussions, NPC deputies opined that the press, literary and art circles should take up the responsibility for promoting socialist spiritual civilization and provide youths and other people with fine spiritual nourishment.

Deputies Yang Meiying, Yang Caimei, Fang Zengxian, Wang Xudong, Wang Fusheng and Zhao Caoshuang from Zhejiang said we have a number of good films. But there are also films and TV programs in which people have long hair and wear bell-bottom pants, though they are good characters and the theme is to advocate "labor emulation." This does not conform with the reality of everyday life. It is the responsibility of the literary and art circles to provide fine spiritual nourishment for the people.

Henan Deputies Wei Jingren, Hu Xianren and Ma Yide pointed out that some newspapers, magazines, plays, films and TV programs have unhealthy content. People have a lot to complain about.

Shanghai Deputy Wang Jianhua said in the past, our propaganda and literary and art work were rather isolated. While advocating that we should first of all let some people become better off, we should also give publicity to the necessity of carrying forward the spirit of serving the people, regardless of our own interests. The movie industry should turn out more films which can boost the people's morale.

Jiangsu Deputies Shao Fudun, Yang Naizhen and Zhang Jinyang said that some folk performances are not being controlled. Some would sing any song if it earned them money. This is a bad influence. They hoped that the cultural department would do well in leading and consolidating the literary and art ranks.

Shanghai Deputy Tan Qixiang said there is a problem worth our attention -- publishing departments are not willing to publish valuable books, and bookstores are not enthusiastic about selling such books, because of the low profits involved. In the big city of Shanghai, we have long been unable to buy a copy of "The Records of History," but there are millions of copies of "Three Knights and Five Righteous Men" coming off the press.

#### Strengthening Ideological Work

OW102120 Beijing XINHUA Domestic Service in Chinese 0148 GMT 9 Dec 81

[Text] Beijing, 9 Dec (XINHUA) -- During panel discussions, many NPC deputies pointed out that in order to change the lax and weak state and successfully carry out our work, a pressing matter at the moment is to strengthen ideological-political work on all fronts.

Wu Lengxi, Guan Shanyue, Chen Yilin, Liang Guang, Shi Hui, Lin Xiaoqun and other deputies from Guangdong Province pointed out: as a gateway to China from the south, Guangdong is under greater foreign influence. The corrosive effect of the bourgeois ideology in ideological and economic areas is quite serious. The key to stopping the unhealthy trend lies in changing the lax and weak leadership, strengthening ideological-political work and building a socialist spiritual civilization.

Zhou Gucheng, a deputy from Shanghai, said the political-ideological leadership in colleges is lax and weak. Under the influence of bourgeois liberal ideology, some college students have become lacking in lofty ideals and wavering in their attitude toward the four fundamental principles. Although they are very small in number, the phenomenon is worthy of our attention.

A Deng, Shi Jiaming, Yu Qianli, Peng Xianqing, Qian De and other deputies from Sichuan said that in the past, young people considered it a glory to go to places where conditions were harsh and some even cried because their requests were turned down. Now, some young people regard as "heroes" those who have managed to return to the cities. Therefore, it is very necessary to conduct education to promote a revolutionary outlook on life and lofty ideals. We cannot expect to carry out the socialist modernization without checking the spread of anarchism, egalitarianism and individualism.

Luo Tingbao, a deputy from Hunan Province, said at present, a number of localities and enterprises ignored the ideological-political work in enforcing the system of responsibility. They overstressed materials as "omnipotent" and, knowingly and unknowingly, focused the workers' attention on money. This has led to the corrosion of the workers' minds and damage to the state interest. It is necessary to correct such tendencies. We should closely combine the material and spiritual motives to ensure the sound development of our national economy.

#### More Peasant Newspapers Needed

OW110637 Beijing XINHUA Domestic Service in Chinese 0740 GMT 10 Dec 81

[Text] Beijing, 10 Dec (XINHUA) -- Wang Yi, director of the information service under the CCP Central Committee's Propaganda Department and member of the CPPCC National Committee, now attending the fourth session of the committee, made a proposal that more papers and periodicals geared to the needs of the peasants be published.

He said papers and periodicals geared to the needs of the peasants are very good instruments for their education. Among more than 2,000 papers and periodicals currently published throughout the country, only BANYUE TAN, a nationwide publication, is oriented to the needs of grassroots units and the peasants. However, this journal has a circulation of only about a million. Among the 400 papers published throughout the country, only 1 paper, geared to the needs of the peasants, is published at national level; 15 papers at provincial level; 78 at prefectural level and 55 at county level. Among the 330,000 dun of paper used to print newspapers every year, less than 10,000 dun is used to print newspapers for the peasants. Some counties lose money in publishing county papers and may be forced to stop publication.

Wang Yi said papers and periodicals play an important role in educating the peasants. Problems concerning the funding and publication of papers and periodicals for peasants should be solved to provide them with more mental nourishment.

#### Training of Nurses Urged

OW110201 Beijing XINHUA Domestic Service in Chinese 1246 GMT 10 Dec 81

[Text] Beijing, 10 Dec (XINHUA) -- Chen Lude, a CPPCC member and deputy director of the affiliated hospital of the Tianjin Medical College, made a proposal, at a CPPCC panel discussion, calling for training more nurses.

Chen Lude said the doctor-nurse ratio at hospitals has become increasingly unbalanced. In a great majority of places throughout the country, the doctor-nurse ratio stood at 1:3.1 in the early days after liberation and 1:2 before the "Great Cultural Revolution." The ratio had reversed in the past few years, standing at between 1:0.7 and 1:1. Moreover, nurses are not as well trained as they used to be. Due to this shortage of nurses, hospitals could do nothing but let family members of patients do the nurses' work in hospitals. This is liable to cause not only accidents, but also increased disorder. Public health departments are recommended to set up more schools for training nurses and to step up nurses' training, thereby solving the problem of the nurse shortage at an early date.

#### Keeping Talented Persons

OW110445 Beijing XINHUA Domestic Service in Chinese 1248 GMT 10 Dec 81

[Text] Beijing, 10 Dec (XINHUA) -- Jing Yunrui, member of the CPPCC National Committee from Xinjiang, made a proposal at a panel session to discuss the report on the government work that people in the interior should not recruit talented personnel from the border areas.

He said the brain drain from the Xinjiang Uygur Autonomous Region to the interior has become serious and this has influenced the development of various undertakings in the border areas. Gansu comrades describe this brain drain as "the water of the river has a tendency to flow eastward." Jing Yunrui added that there may be several reasons for this outflow of talented personnel from the west to the east: some may have left for personal reasons and others may have left because of some shortcomings in our work. However, it also has something to do with the actions of people in some localities. People in some localities have recruited talented personnel from Xinjiang by offering an increased salary. This prevents those remaining in the border areas from keeping their minds on their work. It is hoped that the departments concerned will attach importance to this problem and take some effective measures to stop this outflow of talented personnel from Xinjiang to the interior.

#### XIAO JINGGUANG ON NINGDU UPRISING ANNIVERSARY

HK110202 Beijing RENMIN RIBAO in Chinese 10 Dec 81 p 5

[Article by Xiao Jingguang [5618 0513 0342]: "Carry Forward the Patriotic Spirit of the Ningdu Uprising -- Marking the 50th Anniversary of the Ningdu Uprising and the Birth of the 5th Army Group"]

[Text] The former 26th Army of the Kuomintang staged an armed uprising in Ningdu, Jiangxi, on 14 December 1931, when over 17,000 fully-armed men set out for the central soviet area to join the Red Army. This was the "Ningdu uprising" which shook the whole country. On arriving at the soviet, the units that had taken part were given a warm welcome by the central military committee and the masses in the base area. The units were gradually reorganized into the 5th Army Group of the 1st Front Army of the Chinese Worker-Peasant Red Army; the 5th Army Group was then born. The "Ningdu uprising" was another successful and important armed uprising under party leadership in the history of our ar

It dealt a stunning blow at the reactionary Kuomintang-Chiang Kai-shek strategy of "first pacify inside before stabbing from the outside," encouraged the fervor of the people of the whole country for resisting Japan and opposing Chiang, expanded the Red Army's forces, and played an important role in consolidating and developing the central soviet area and increasing confidence in victory for the revolution among the army and people there.

It is now 50 years since the "ningdu uprising." Fifty years ago, in order to attain his shameful aim of wiping out the Red Army and uprooting the dissidents, Chiang Kai-shek moved the 26th Army, Feng Yuxiang's old unit, to Jiangxi to take part in "encircling and suppressing" the central soviet area. After its arrival at Ningdu, this army suffered from Chiang Kai-shek's discrimination against it; in addition it was attacked and put into a difficult situation by the Red Army; the men lacked provisions and funds, disease was rife, and disaffection was spreading. After the "18 September" incident in 1931, the CCP issued a great call to the people of the whole country to resist the Japanese and save the nation; the anti-Japanese feelings of the officers and men of this army surged up, and they demanded to march north to resist the Japanese, but this was refused by Chiang Kai-shek. In these circumstances, our party's special underground party branch in that Army and a number of revolutionary and patriotic officers did a lot of preparatory work for the uprising in light of the army's plight and the feelings of its officers and men. Under instructions from the Central Committee, the armed uprising was launched on 14 December 1931. The uprising was led by Comrade Zhao Bosheng, a Communist Party member and chief of staff of the army, and Comrade Dong Zhentong, commander of the army's 73d brigade. They consulted with Li Zhentong, commander of the 74th Brigade, and Huang Zhongyue, a commander of the brigade's 1st Regiment, acted decisively to arrest reactionary officers, and cleared away the obstacles to the uprising, with the result that the uprising was a success in the whole army. After the units involved were reorganized into the Red Army's 5th Army Group, the central military committee appointed Comrade Li Zhentong as commander in chief of the group, Comrade Dong Zhentong as deputy commander in chief and concurrently commander of the 13th Army, Comrade Zhao Bosheng as chief of staff of the group and concurrently commander of the 14th Army, and Comrade Huang Zhongyue as commander of the 15th Army. In order to remold this old army into a new-style people's army, the Central Committee dispatched a large number of cadres to do political work in the unit. I was sent to be political commissar of the 5th Red Army group. Also sent to the group to do leadership work were Liu Bojian, He Changgong, Zuo Quan, Huang Huoqing, Song Renqiong, Cheng Zihua, Zhu Rui, Zhu Liangcai, Gao Zili, Li Xiangwu, Liu Xing and other comrades. The 5th Red Army group was reorganized and remolded under the leadership of the Central Committee and the central military committee. Generally speaking, the principles and policies applied to remold this unit were correct. Comrade Mao Zedong told me, it was necessary to handle this unit in accordance with the spirit of the resolution of the 9th party congress of the 4th Red Army, establish party leadership, and strengthen ideological and political work. Those uprising officers who wished to remain would be welcomed, and they would be organized to study, enter schools, and undergo cadre education, to enable them to learn how to do leadership work in the Red Army. Those who wished to leave would be given a send-off and money for their journey; they could come or go as they pleased. Comrade Mao Zedong also said, they voluntarily carried out the Ningdu uprising to take part in the revolution, and we should welcome them. If they wish to go back, we should give them a send-off. We can only win them over by education; we cannot apply the method of cutting up garlic. After I conveyed Comrade Mao Zedong's instructions to the leading comrades of the 5th Red Army group, they expressed tremendous support and resolutely acted according to Comrade Mao Zedong's principles and policies. The hearts and minds of the army were very soon at ease. The unit carried out the necessary organizational readjustments, set up the political commissar system, established party branches in the companies, and strengthened party leadership and ideological and political work. The system of beating and abusing the troops was abolished, and the principle of unity between officers and men, between army and people and between army and government was instituted.



In particular, the warm welcome and care of the people in the soviet area for the army and the fish-and-water feelings between army and people greatly educated and moved the officers and men of this unit, which had just come across from the Kuomintang-controlled areas. They personally experienced the essential differences between the old and new armies. After the unit launched political and class education, military training, and the "three great democracy" drive, the revolutionary enthusiasm of the commanders and fighters was mobilized, and their military and political qualities were greatly enhanced. On this basis, a number of outstanding cadres were selected and promoted from among the soldiers and junior officers to augment the leadership at all levels. This action changed the composition of the rank of leading cadres. After a series of measures had been carried out, this 5th Red Army group, which had only just been organized and built, possessed very good fighting strength. In the Ganzhou, Zhangzhou and Shuikou campaigns, the cadres and fighters displayed tremendous heroism, brought into play the spirit of patriotism and proletarian revolution, fought hand-to-hand with the enemy, waged extremely arduous and difficult struggles, and gained brilliant results in battle. In such a harsh combat environment, the unit constantly maintained high spirits, stable mental state, and bravery in battle; they heroically killed the enemy, gained repeated battle honors, and were commended by the military committee. Many moving and heroic deeds took place. The unit played a major role and won undying glory in the 4th and 5th campaigns against "encirclement and suppression" and on the 25,000 li Long March. Countless revolutionary martyrs gave their precious lives for the cause of liberating the Chinese nation. Many outstanding sons and daughters of the Chinese people, such as the party members Zhao Bosheng and Dong Zhentang, wrote song after song of triumph with their blood and lives. The 5th Red Army group was written into the history of the Chinese revolution by its shining heroism.

Fifty years have passed. Our party, our army and the people of all nationalities throughout the country have experienced many vicissitudes, and have become more mature and strong through steeling in the furnace of revolution. Earth-shaking changes have taken place in our country. Some of the goals for which the revolutionary martyrs fought have been attained, some are being gained now, and others will have to be attained by the continuing efforts of our successors. There are now few survivors of the comrades who took part in the "Ningdu uprising" and of those who were subsequently sent to work in that army, yet the spirit of the "Ningdu uprising" will endure forever. When Comrade Mao Zedong received in Yanan comrades of the "Ningdu uprising," he wrote for them the inscription "We will be invincible if we apply the spirit of the Ningdu uprising to oppose Japanese imperialism." The spirit of the "Ningdu uprising" is a spirit of high patriotism. At that time we needed that spirit in the soviet area in opposing Chiang Kai-shek's "encirclement and suppression." We also needed that spirit when fighting Japanese imperialist aggression during the war of resistance against Japan; and we still need that spirit today, when we are building our socialist motherland with the four modernizations. Let us carry forward the spirit of high patriotism, inherit the fine traditions and work style of the party and army, and strive to build China into a powerful socialist state, bring about the return of Taiwan to the motherland and fulfill the great cause of unifying the motherland, oppose hegemonism, and preserve world peace. Our future boundlessly glorious and bright!

#### BAN YUE TAN ON DEALINGS WITH FOREIGNERS

HK101112 Beijing BAN YUE TAN in Chinese No 20, 25 Nov 81 pp 3-4

[Commentator's article: "Safeguard State Honor and National Dignity"]

[Text] Following the expansion of our international contacts in recent years, more and more foreign guests have come to China on tours, visits and business and for trade exchanges. In their contacts with foreign guests, most of the cadres and masses are warm-hearted, friendly, civilized and courteous, and this has left a good impression on the foreign guests.



However, in recent months, there has also been an extremely small number of people who extort money or presents from foreign guests. At excursion centers and places where foreign guests stay, a few small traders and peddlers trail behind the foreign guests and try to sell their wares forcibly. Taking advantage of their work, some persons take bribes from foreigners and go so far as to collude with them, engage in smuggling and tax evasion, and divulge or sell state secrets. In other instances, they gather round and jeer at the foreign guests, pick quarrels or create disturbances.

Although those who let us down are extremely few, the servile acts and illegal activities of the small number of people have damaged state honor and national dignity. They naturally cause indignation in the broad masses of cadres and masses, and some foreign friends, Overseas Chinese and compatriots from Hong Kong and Macao are also dissatisfied with this.

In the future, more foreign guests will visit and it is necessary to conduct intensive publicity and education in patriotism and internationalism among the broad masses of cadres and masses in order to raise our national self-confidence and self-respect.

The Chinese nation is a glorious and great nation. We have had an enduring civilization for 5,000 years, and the "four major inventions" of our country promoted the development of world civilization. China's economy and agriculture were still in the front ranks of the world until the middle of the Qing Dynasty. Later, owing to the fetters of the reactionary feudal system and the aggression of foreign imperialists, China's economy and culture fell behind. However, a revolution on the scale of the Chinese people's revolution had, over the past 100 years and more, rarely been seen in the world and this exerted tremendous influence on people's revolutions in various countries and on national liberation movements. After liberation, the Chinese people stood up and their achievements made under the leadership of the CCP attracted worldwide attention. Owing to sabotage by Lin Biao and the "gang of four," the cause of our socialist construction has suffered losses that cannot be remedied in a short time. The mistakes in our work also adversely affected the rate of China's economic development. However, since the 3d Plenary Session of the 11th CCP Central Committee, the situation in our country has improved with each passing year. A great many men of insight command the achievements we have made and are full of confidence for China's future. How can we Chinese be inferior to the foreigners in understanding China? We have a superior socialist system, 1 billion industrious and ingenious people, both positive and negative experiences, and the correct leadership of the CCP Central Committee. We are fully confident that by vigorously developing our country and by achieving the four modernizations, China will be turned into a socialist country with a high degree of material and spiritual civilization.

Every nation has its own strong points as well as its weak ones and it is necessary for every country to incorporate the useful experience of foreign countries. We oppose the policy of closing the country to international intercourse and blind opposition to everything foreign and also oppose servility and subservience. In our contacts with foreign guests, we should not treat them coldly or avoid meeting them, but we also should not surround them or trail behind them. Every Chinese should conscientiously implement the following words: "Be warm and friendly, treat each other equally, be civilized and courteous and be neither supercilious nor obsequious."

It is the duty of every Chinese to safeguard state honor and national dignity. Not only should we not do anything that is detrimental to national or human dignity, we should publicize patriotism and internationalism to other people, particularly our relatives and children. With respect to the servile acts and illegal activities of a small number of people in the society, it is necessary to criticize, resist, discourage and stop them, and bring pressure of public opinion to bear on them.

It is necessary to strengthen management of public security in those places that are open to foreigners and consolidate social order. It is necessary to assign business sites to small traders and peddlers and forbid them from peddling commodities to foreign guests in a forcible manner or selling cultural relics to foreign guests privately.

It is necessary to educate the masses not to extort money and presents from foreign guests, badger them to take their photographs or exchange foreign currencies or foreign exchange certificates. With respect to those who jeer the foreign guests and create disturbances, steal the property of foreign guests, as well as those who sell state secrets to foreigners, collude with foreigners in malpractices for selfish ends, it is necessary to punish them according to law. Everyone has the right to stop people from insulting foreign guests, picking a quarrel or creating a disturbance. If they refuse to listen to admonition, the public security departments should deal with them in a serious manner. It is necessary to criticize on just grounds those foreigners who intentionally insult the Chinese, and those who violate the law of our country should be dealt with by the government departments.

Conscientiously safeguarding state honor and national dignity is an important part of socialist spiritual civilization. It is imperative for the Chinese people to emerge before the people of the world possessing a high degree of socialist spiritual civilization.

#### STRENGTHEN FINANCIAL WORK OF TRADE UNIONS

HK090418 Beijing CONGREN RIBAO in Chinese 2 Dec 81 p 2

[Commentator's article: "Seriously Strengthen the Financial Work of Trade Unions"]

[Text] Recently, the All-China Federation of Trade Unions held a national conference on the financial work of trade unions. In accordance with the resolution of the third session of the ninth council of the All-China Federation of Trade Unions, the meeting concentrated on discussing how to strengthen the financial work of trade unions and how to better serve the broad masses of workers. The discussion has yielded positive results.

In order to strengthen the financial work of trade unions, it is imperative to have a correct guiding ideology. The mass viewpoint is the basic viewpoint, stand and line of our party. As the financial work of trade unions is an important component of the overall work of trade unions, it must fully manifest this basic viewpoint, stand and line of our party.

The guiding principles of the financial work of trade unions are to serve trade union construction, to serve the masses and to serve production. All of these are identical and interrelated. Their focus and purpose are to serve the masses. To make a success of financial work, we must first further define this idea. The financial work of trade unions is not only technical work, but also important mass work as well as political work.

Trade unions at all levels must properly collect and manage trade union funds, and the purpose of this is to use the funds in a proper manner. In using the funds, we must cut down on administrative expenses and use as much money as possible for spare-time mass activities and undertaking for raising the political, cultural, scientific and technical level of the workers, improving physical and mental well-being, strengthening unity and cooperation, building socialist spiritual civilization and promoting production enthusiasm. We must uphold the principle of practicing frugality and thrift, give play to the spirit of "running all enterprises thriftily," spend less money, do more work and pay attention to practical results. We must firmly oppose the spendthrift styles of extravagance, ostentation and waste which infringe on the interests of the masses.

The financial work of trade unions must take into consideration the interests of the state, the collective and the individual. An overall point of view must be adopted in serving the people. Although the present situation of our national economy is very good the state still has difficulties. In spending money and doing things, trade unions must make allowances for the temporary difficulties of the state and share its worries and burdens. In keeping with the level of economic development of the country and the standard of living of the people, we must realistically make use of the limited amount of funds to properly run such activities and undertaking as culture, education, sports, technical associations, convalescent centers and international seamen's clubs for the workers, and we must particularly pay attention to practical results.

The financial work of trade unions must give full play to financial democracy. Trade union members and working people are the masters of trade union organizations as well as of trade union funds. The financial departments of trade unions must be good at managing their own affairs, handling money matters and doing work. Trade unions at all levels must rely on the masses in making a success of financial work and practicing financial democracy. This is an indispensable condition for "trade unions to be models of democracy." Trade unions at all levels must regularly publish their accounts and make reports on financial work. They must set up and perfect a trade union funds examination committee at each level as quickly as possible in order to strengthen financial supervision.

The funds of trade unions are mostly used at the basic level and for various undertakings. Therefore, trade unions at various levels must put the focus of financial work on these sectors and properly implement the policies, principles and regulations of the financial work of trade unions.

At present, the financial work of trade unions is one of the weak links in the overall work of trade unions. Trade unions at various levels must tighten leadership over financial work, strengthen ideological construction, vocational construction and organizational construction, and conscientiously implement the Resolution on Certain Questions in Strengthening the Financial Work of Trade Unions passed by the All-China Federation of Trade Unions. We believe that the implementation of the resolution will raise the financial work of trade unions of the whole country to a new level.

#### RENMIN RIBAO DISCUSSES ECONOMIC LEGISLATION

HK101350 Beijing RENMIN RIBAO in Chinese 4 Dec 81 p 5

[Article by Gu Ming [7557 2494]: "Further Strengthen Economic Legislative Work"]

[Text] Our economic laws represent the legal standard for regulating the social relationships in economic activities between government organs, enterprises, and economic undertakings and other social organizations, and those between these organizations and citizens. They serve as an important tool for the state to guide, organize and control the economy. The scope of economic laws is extremely wide. It includes the statutes, decrees, rules and regulations governing the course of production and reproduction of goods and materials and the relevant course of their exchange, distribution and consumption.

At the 3d Plenary Session of the 11th CCP Central Committee, the party adopted the strategic policy of shifting the focal point of work to socialist modernization. At the central work conference convened in April 1979, the party went a step further and adopted the 8-character policy of readjustment, restructuring, reorganization and upgrading. In order to pave a new road for the development of our socialist economy, we are at present studying the necessary reform of the current economic control system. To ensure the smooth performance of this task, the strengthening of economic legislative work is extremely important.

In the early 1960's we formulated a series of rules, regulations and procedures known as the 60 articles on agriculture, 70 articles on industry, 14 articles on science, 35 articles on the handicraft trades and 6 articles on finance. They all played an important role in the readjustment work at that time. The "Resolution on Certain Questions in the History of Our Party Since the Founding of the People's Republic of China" pointed out, in the section on "the 10 years of initially building socialism in all spheres," that "in the 10 years from 1956 to 1966, the party accumulated precious experiences in leading socialist construction." It was further stated in this section that "in the course of economic readjustment, the Central Committee drew up draft rules governing the work of rural people's communes and work in industry, commerce, education, science and art and literature. These rules, which were a more or less systematic summation of our experience in socialist construction and embodied specific policies suited to the prevailing conditions, remain important as a source of reference for us to this very day." Indeed, at present, recalling and summarizing the role played by these economic rules and regulations of the 1960's in readjusting the economy has real significance.



But we must note that in our current readjustment and restructuring work the economic relationships met with are much more complex than those in the past. Besides, the more we expand the decisionmaking power of enterprises, communes and brigades, the more important it is to set up and reinforce the relevant economic regulations and to make use of them to organize, control and guide the development of the economy.

At present, economic legislative work in our country still has many problems. They all deserve great attention and require realistic solutions. First, economic legislation is still relatively weak, whether we look at it from the standpoint of theoretical research or from that of practical work. Over a long period of time, the weakness of our legislative codes has been apparent in the fact that many of our comrades in economic departments lacked sufficient knowledge and understanding of economic laws and regulations, while the majority of those comrades engaged in legal work failed to undertake any study or research in this connection. Even now, certain departments or units still do not understand the function of these laws and regulations. They do not know how to make use of them to guide and control economic matters. They often depend on general administrative procedures to carry out their work, and the formulation and revision of economic laws and regulations is not on their daily agenda. Second, economic legislative work has not been able to keep pace with the needs of readjusting and restructuring the national economy. So far, the kind of economic restructuring, the direction and the road taken have been correct. Notable economic results have been achieved and economic life has begun to be enlivened. But there has been insufficient contingency planning for events and, as a result, legislative action cannot be taken in time to restrict or control them. Innumerable facts have proven that only when subsequent economic laws and regulations are enacted is there the necessary legislation for strengthening administrative intervention. This helps in protecting, consolidating and developing the results of the economic readjustment and restructuring work. Third, economic legislation still lacks all-round planning as well as coordination and balance with other laws and regulations. At present, there are certain laws and regulations which contradict, or which do not dovetail with each other. Among the laws and regulations promulgated in the past, some are already outdated and some do not conform to current conditions; but they are still in use and have not been replaced or revised at the appropriate time. Fourth, all the economic departments of the State Council have not yet formed their own legislative structures. Those already formed are not in a healthy state, are relatively weak and cannot pursue their work in a satisfactory manner. Fifth, in general, there is a shortage of specialists in economic legislative work. Many of the comrades who studied law in the past are not engaged in the legal profession and the problem now is how to induce them to rejoin their former profession. Sixth, an insufficient amount of propaganda and education work has been done on economic laws. There is an extreme shortage of books, articles and reference materials on economic laws and regulations. Certain economic laws and regulations, though already promulgated, have still not been implemented well. The phenomenon of "words replacing laws" is still very much in existence.

Aiming at the above-mentioned problems, the State Council has issued the following directions to the relevant departments and units: 1. Relevant departments must place economic legislative work as an important item on their daily agenda. A responsible comrade should be assigned to take charge of work in this connection and be able to settle, in a timely way, problems related to economic legislative work. 2. Relevant departments should formulate the important and urgently needed economic laws and regulations centering on economic readjustment and restructuring and, in this way, protect the results of the economic readjustment and restructuring work and preventing the possibility of deviation or error. At the same time, they should also grasp the work of formulating laws and regulations not immediately related thereto. 3. Economic departments under the State Council should be responsible for the drafting or revising of most of the economic laws and regulations.

Problems arising in the course of the implementation of the economic laws and regulations should be studied and solved jointly by the various departments in charge under the State Council and the provinces, municipalities and autonomous regions concerned. The experiences gained therefrom should be continuously summarized. Hence, the various economic departments under the State Council and the people's governments of the provinces, municipalities and autonomous regions should gradually set up and reinforce their respective organizations in charge of economic laws and regulations. 4. The various economic laws and regulations must be coordinated and linked with each other. There must be no contradictions between them. Wherever possible, the parts should be linked to form a whole. This year the State Council has already sanctioned the establishment of the research center for economic laws and regulations. The center has now begun to systematically study and make an all-encompassing plan for, the work of formulating economic laws and regulations by the organizations under the State Council. The center is organizing the guidance work thereof and is endeavoring to achieve coordination and equilibrium of the statutes. The State Council has also ordered that the organs in charge of the economic laws and regulations under its subsidiary ministries and commissions should likewise strive to achieve coordination and equilibrium of the economic laws and regulations of their respective subsidiary organs. So economic judicial work must likewise be strengthened. Following the establishment and reinforcement of economic procuratorial organs and economic courts, all economic disputes and cases of infringement of economic statutes must be promptly and sternly dealt with. 6. To meet the needs of economic legislation work, we must try every means to speed up the training of specialist personnel in economic legislation work. 7. We must strengthen the propaganda and education work on economic laws and regulations, strengthen the study of economic law theories, exchange experiences on economic legislation and organize the printing of books and publications which examine economic legislative conditions both within the country and abroad, and serve as necessary reference material for the various departments in their formulation of economic laws and regulations.

At present, the relevant departments and units are following the call of the State Council and are stepping up their study and drafting of economic laws and regulations. Indeed, the tasks before us in this work are heavy ones. In doing this legislative work, we must keep in mind the actual conditions of our country, seriously summarize our own experiences and, at the same time, learn from those foreign experiences and methods that are worthy of serving as reference material. We must take note of the requirements and our capabilities, differentiate between those that are important and those that are less important, and proceed to formulate each law or regulation as the conditions become ripe. If conditions are still not yet ripe for actual enactment, we should first try out such standard regulatory procedures as making rules, stipulations, measures, experimental drafts, and so on, as transitional measures. Revisions and supplements should be made thereon, after having put them through actual practice and testing. The important revisions and supplements, when they are ready, should be submitted to the National People's Congress or its Standing Committee for approval, to be enacted into laws or decrees.

#### RENMIN RIBAO ON PATRIOTISM, NATIONAL HEROES

HK091014 Beijing RENMIN RIBAO in Chinese 8 Dec 81 p 5

[Article by Deng Guangming [6772 1684 6900] and Zhang Xiqing [1728 1585 3237]: "A Short Discourse on Patriotism and National Heroes"]

[Text] I. On Patriotism

China is a unified, multinational state with a long history. However, in the course of its formation and development, there were many times when two, three or even more independent regimes existed at the same time.



These regimes were component parts of ancient China. Can we call each of them a state? Moreover, the regimes which existed at the same time often engaged in war against each other. Should we determine which of them were right and just and which were wrong and unjust? If we should, then can we say that the people of a just regime who faithfully and bravely defended its sovereignty and interests were patriotic to their "state"? Can we say that those who proposed a surrender or sold the land and sovereignty to a hostile regime betrayed their "state"? These are questions being discussed by academic circles and causing much concern in society.

As a member of the Chinese nation, the Xia nationality established a regime under the slave-owning system in the middle and lower reaches of the Huang He about 2100 BC. At that time, other nationalities were still at the stage of a primitive society. In the course of historical development, regimes established by such nationalities as Hun, Xianbei, Di, Qiang, Turk and Ouigour emerged one after another in Chinese territory alongside the regime which had been formed by the "Chinese Xia nationality" (a term used in the "Zuo Commentary") as its mainstay in the middle and lower reaches of the Huang He. Later, the Khitan, Nuchen, Mongolian and Manchu nationalities also established their regimes. Some of these regimes ruled areas in the middle and lower reaches of the Huang He and even the whole of the Chinese territory for some time. They had sovereignty, territory and people, which are the three preconditions of a country. For this reason, in our opinion, it is scientific and practical to regard these contemporary independent regimes as states. Ever since ancient times, people have been used to the way of regarding the dukedoms during the Spring and Autumn and the Warring States periods as "the states during the Eastern Zhou Dynasty," the Three Kingdoms of Wei, Shu and Wu as "the three states," the former and latter Zhao regimes, the former and latter Western Qin regimes, the former and latter Northern and Southern Yan regimes and other contemporary regimes as "the 16 states," and the "five dynasties" and the contemporary Southern Tang, Wuyue, former and latter Shu and Southern and Northern Han Dynasties as "the 10 states." In our opinion, this is justified and sensible. However, in no way should the puppet Qi regime headed by Liu Yu, which existed during the period of confrontation between the Song and Jin Dynasties be regarded as a state because it was supported and manipulated by the Nuchen nobles.

The states which existed at the same time often tried to annex or declared war on each other. Therefore, in analyzing the contradiction between two belligerents, it is always necessary to find out the causes, nature, purpose and consequences of a war before we can say which of them was just or unjust. Do we not adopt the same method to judge the case of "a quarrel between brothers"? Then, it should be the most sensible to regard those who are on the side of justice and wholeheartedly defend the sovereignty and interests of their side as patriots and those who act otherwise as traitors.

For example, Qu Yuan of the State of Chu during the Warring States period proposed eliminating the ills of government by propagating a legal system and promoting the capable to the key positions and put forth the policy of forming an alliance with the State of Qi in the east and resisting the invasion of the State of Qin in the west. Later, he was calumniated and sent into exile. Yet, he showed deep concern for the state and the people. He wrote "Li Sao" and other poems to repeatedly assert his view toward the government, disclose the corruption of the nobility of the State of Chu, show his deep concern for the affairs of state and express his willingness to sacrifice himself for a lofty ideal. Subsequently, he was called a great patriotic poet by later generations. During the period when the Song and the Jin Dynasties confronted each other, people like Li Gang, Zong Ze, Yue Fei, Xin Qiji and Lu You of the Song Dynasty strongly advocated counter-attacking the Jin army and regaining lost territory, and some of them even fought on the forefront of the protracted war against Jin aggression. They were called patriots by the later generations. On the other hand, Qin Hui, a minister of the Southern Song Dynasty, was regarded as a typical traitor.

There is only one China. This is applicable today and also was applicable in the past. In Chinese history, a few states might exist at the same time but they took different names for their dynasties and did not take "China" as their name. They were component parts of China and did not represent China as a whole. When we say that some individuals of one of the states were patriots and some other individuals of this state were traitors, we do not mean to expel other states from China.

China laid the foundation of a unified, multinational state at the time of the Qin Dynasty. After that, it underwent a complicated course of division, unification, division again and unification again, and eventually has been consolidated as the PRC today. During this complicated course of progress and seemingly endless period of time, a state ruled by the Huns existed for some time. Before it was established, the Hun nationality was not a member of the Chinese nation. On the other hand, some states such as Liao, Jin and Western Xia also existed for some time. Before their founding, the Khitan, Nuchen and Dangxiang nationalities which established them were already members of the Chinese nation. The areas inhabited by them had already been included in the Chinese territory. For this reason, they were independent regimes at the time they were founded, although they later became independent stages. That is to say, historically, China not only meant the central dynasty in the middle and lower reaches of the Huang He but also consisted of the independent regimes founded by minority nationalities that were not governed by the central dynasty.

In Chinese history, the states which existed simultaneously did not regard themselves as administrations outside China. Nor did they consider each other as being outside of the scope of China. This situation was so at the time when the States of Song, Liao and Western Xia existed simultaneously and was also so when the States of Song, Jin and Western Xia existed in tripartite confrontation. The historians in ancient China has a correct understanding on this point. Li Yanshou of the Tang Dynasty compiled the histories of the Song, Qi, Liang and Chen Dynasties' states in the south into one book entitled "History of the South" and that of the Wei, Qi and Zhou states in the north into another book, entitled "History of the North." This showed that he regarded these states as component parts of "China" at that time. The official historians of the Yuan Dynasty regarded Song, Liao and Jin as three dynasties and recorded their histories in three separate books. From the Tang Dynasty to the Qing Dynasty, people regarded the histories of the seven dynasties of Song, Southern Qi, Liang, Chen, Wei, Northern Qi and Zhou and the histories of the three dynasties of Song, Liao and Jin as official historical records. Of course, they did so because they had the same correct understanding.

On the grounds mentioned above, we hold that it is entirely compatible with the realities of the Chinese history and the principles of historical materialism to regard each historically independent regime as a "state" and to regard those who stood on the side of justice in a period of war between states and faithfully and bravely defended the sovereignty and interests of their state as "patriots."

The Chinese people have an honorable and longstanding tradition of patriotism. Over the past centuries, countless patriots worked hard, fought bravely and even sacrificed their precious lives to build their motherland into a prosperous and powerful country enjoying independence and freedom. Their patriotism and splendid feats are a very precious historical legacy. Today, in socialist China, we should all the more grasp and carry forward this honorable tradition of patriotism. It can be predicted that this patriotism will invariably play an inestimable role in promoting the great cause of building a powerful modern socialist country.

## II. On National Heroes

Closely connected with patriotism is the question of national heroes.

The Chinese nation in general terms refers to people of all nationalities who had lived or are still living on the Chinese territory. Throughout the long historical process of the formation and development of the Chinese nation, the people of different nationalities maintained friendly contacts, depended on and influenced each other and became closer and closer. This was the principal aspect of their interrelationship. However, different nationalities also suppressed and fought against each other. This brought great suffering to the people of various nationalities. Besides, in the history of the Chinese nation, there were also records of invasion by foreign nations. In particular, the military, economic and cultural encroachment by capitalism and imperialism in the past century or more brought immense suffering to the people of various nationalities. Comrade Mao Zedong said: "All the nationalities of China have resisted oppression by foreign nations and have invariably resorted to rebellion to shake it off. They favor a union on the basis of equality but are against the oppression of one nationality by another. During the thousands of years of its recorded history, the Chinese nation has given birth to many national heroes and revolutionary leaders." ("The Chinese Revolution and the Chinese Communist Party") Here, the term "foreign nations" has two meanings. The first refers to nationalities within the Chinese nation during the historical period of conflict and struggle. For example, the Khitans and Nuchens were "foreign nations" to the Han nationality, and vice versa. The second refers to nations outside the Chinese nation, regardless of whether they were from the East or from the West. Any person who had excelled in resisting encroachment and oppression from these two types of "foreign nations" was a hero of the Chinese nation.

Some comrades are of this opinion: It is perfectly natural and correct to call a person who excelled in resisting foreign aggression and oppression a hero of the entire Chinese nation. However, in the event of war between different nationalities within the Chinese nation, the heroes who excelled were people who resorted to "rebellion" to shake off oppression by "foreign nations." They represented only the interests of their own nationality and did not represent the interests of the people of the hostile nationality. They might have even infringed upon the interests of the other nationality. Their heroic achievements were only recognized by the people of their own nationality, never by the people of the hostile nationality. Therefore, they were only heroes of their own nationality and not heroes of the entire Chinese nation.

In our opinion, since we must distinguish between who was right and who was wrong, who was just and who was unjust, in the event of war between members of the Chinese nation, as we have already discussed in the foregoing paragraphs, then any person who fought on the side of justice and who contributed significantly toward resisting national oppression and military plundering should be called a hero of the Chinese nation. The reason is that their just actions not only conformed with the interests of the people of their own nationality but were in keeping with the interests of the people of the entire Chinese nation. Take for example the renowned General Yue Fei of the Southern Song Dynasty who led his troops to fight against the Jin Dynasty. He resisted the plundering and massacre by the Nuchen nobles and made outstanding contributions toward defending the highly developed feudal mode of production and civilization. What he did not only conformed with the interests of the people of the Han nationality but tallied with the long-term and fundamental interests of the people of the Nuchen nationality. Since Yue Fei made great contributions toward the progress and development of the entire Chinese nation, he fully deserves to be called a hero of the Chinese nation.

Naturally this principle is applicable to any member of the Chinese nation. Ye-lu A-bao-ji of the Khitan nationality united the many nationalities north of the Great Wall and founded the State of Khitan (Liao) with the Khitan nationality as the mainstay. In so doing, he put into play a lot of positive factors for opening up northeastern China and the Mongolian region and also for developing a united multinational state.

Wan-yan A-gu-da of the Nuchen nationality led his people to rise up against national oppression and exploitation by the Liao Dynasty. He overthrew the reactionary rule of the Liao Dynasty and founded the State of Jin. Thus, he also put into play a lot of positive factors for opening up of northeastern China and developing a united multinational state. Therefore, they were not merely heroes of the Khitan or Nuchen nationalities, but rather heroes of the entire Chinese nation. There are also other examples. Khublai Khan of the Mongolian nationality founded the Yuan Dynasty, reunited China after more than 300 years of separatist rule and introduced a series of policies which suited the needs of development of the feudal economy and which were aimed at strengthening ties between the central authorities and the border areas. In so doing, he played an extremely effective role in promoting the consolidation and development of the reunification of the motherland. Aisin Gioro Xuanye of the Manchu nationality, better known as the Emperor Kangxi of the Qing Dynasty, compares favorably with Khublai Khan in the policies he formulated, the measures he adopted and the achievements he made during his reign. Therefore, both of them ought to be called heroes of the entire Chinese nation. All these people were feudal rulers. Due to the limitations of the times and their class status, they naturally did a lot of wrong and bad things. Compared with the historic feats they performed, however, these wrong and bad things are only of secondary importance. In the process of carrying out his war of reunification and wiping out the Southern Song Dynasty, Khublai Khan aroused resistance from the army men and people of the Southern Song Dynasty. We affirm Khublai Khan's contributions toward reunification, but we do not negate the loyalty and integrity demonstrated by the army men and people of the Southern Song Dynasty, especially people like Wen Tianxiang, in resisting the Yuan Dynasty, just as we speak positively of Qin Shi Huang's merits in unifying the six states while recognizing Qu Yuan as a patriotic poet.

However, in a national war, those who fought on the unjust side can never be called national heroes no matter how great were their battle achievements. They were neither heroes of the Chinese nation nor heroes of their own nationality. The reason is that they not only brought suffering to the oppressed nationality but imperiled their own people and social production. What they represented were merely the selfish interests of the ruling class that oppressed other nationalities, not the interests of the broad masses of the people of their own nationality. What they did actually had a negative impact on the development of the Chinese nation. Naturally this is not in keeping with the fundamental and long-term interests of their own nationality. Wu Shu, the elite military leader of the Jin Dynasty, falls into this category.

It should be pointed out that national oppression and national wars within the Chinese nation were things of the past which occurred in the process of the formation and development of the Chinese nation. No one but our forefathers were to answer for their own rights and wrongs, merits and demerits. When we deal with these questions, we should stand on a higher plane and see farther ahead. We should take the stand of the entire Chinese nation and should not sink into the quagmire of Han chauvinism or local nationalism. We should analyze and study these historical events, draw useful experiences and lessons from them and work for the reunification of the country, the solidarity of the nation and the prosperity of the entire Chinese nation.



NANFANG RIBAO: INCREASE ANTICORRUPTION EDUCATION

HK101001 Guangzhou NANFANG RIBAO in Chinese 30 Nov 81 p 4

[Article by Zhen Ru [4176 5423]: "Step Up Anticorruption Education"]

[Text] Along with the implementation of the special policies and flexible measures in our province and the establishment of the special economic zones, external economic activities have been developed throughout the province in various ways and at high speed and contacts with foreign businessmen have become very frequent. This has played a significant role in enlivening our province's economy, earning more foreign currency and introducing technology. Most of our foreign economic work personnel have been able to remain uncorrupted in serving the public interests, safeguarding the interests of the state, adhering to the party's specific and general policies, conscientiously developing their business activities and thereby augmenting their knowledge and improving their skill and technical know-how in their work. Nevertheless, it is undeniable that there are some cadres who have been corrupted by bourgeois ideology and have done things in violation of the party's discipline and the state's laws in carrying out external economic activities.

In external economic activities, there have been various practices in violation of discipline and law, such as speculation, graft, embezzlement, collusion with foreigners, harming the public for private gains, giving and receiving bribes, smuggling, avoiding customs, asking for presents and illegally obtaining foreign currency. What especially draws our attention is that recently some people have become bolder and bolder and their desires greater and greater. They are no longer satisfied with asking for presents such as radio-cassette players or TV sets, but have asked for great sums of foreign exchange to be deposited in foreign banks for them. Some people actively ask foreigners for presents now instead of their past practices of silently accepting when presents were offered to them. They do not even hesitate to give away the economic information of the state in exchange. These diverse activities in violation of law and discipline have not only inflicted losses on the economy of our state, but have also done great damage to the prestige of our country.

The occurrences of these practices are not accidental. In carrying out external economic activities, we are dealing with capitalist businessmen and their capitalist ways and style of management which are bound to have an impact on our cadres. For example, it is a common practice in a capitalist society to take a "commission" or "rebate," but the cadres engaged in external economic work in our socialist country are not allowed to receive a "commission" or "rebate" from foreign businessmen, otherwise they will be committing activities of graft or embezzlement. However, under the influence of this evil practice of foreign businessmen, some of our cadres fail to resist the material temptation and have begun to take a "commission" or "rebate" too. In order to earn windfall profits, some foreign businessmen willfully adopt such means to corrupt our cadres. In such cases, some of our cadres lose their vigilance, lust for private gains and are finally trapped by them. Of course, the external factors have to play their role through internal factors. Many instances have shown that the reason why some comrades are able to resist corruption, always safeguard the interests of the state and remain honest in performing their official duties lies mainly in their refraining from seeking private ends; on the contrary, the ultimate reason why some comrades are unable to withstand the corruption of the bourgeoisie is because they are too selfish in the depths of their minds and forget the doctrines in the face of material temptation.

This has clearly proved to us that it is imperative to carry out anticorruption education in the ranks of our cadres. This education should be aimed at helping the cadres to establish a revolutionary outlook on life and a revolutionary world outlook and at overcoming bourgeois individualism so as to form a farsighted ideal in everybody's mind, make everybody correctly handle the relations between their personal interests and the interests of the revolution and form in everybody's mind the spirit of serving the people whole-heartedly.

Only by forming such a revolutionary outlook on life and such a revolutionary world outlook can one firmly withstand the attack of various sugar-coated bullets. The best proof of this point can be found in the cadres and fighters in a certain PLA regiment that garrisons the special zone of Shenzhen who have consciously withstood corruption and temptation and fulfilled their tasks in patrolling the border areas fairly well. The bridge squad of the 3d company in this regiment is in charge of examining passports and visas of the masses who enter or exit across the border and helping the customs officers to examine what is carried across the border. Some people attempt to smuggle goods in and avoid paying customs by deliberately waiting till after the office hours of the customs officers to enter the border and bribing the guards with money or goods so as to buy their way through. But the fighters have never yielded to their tricks. They reject all presents and confiscate all goods on which the payment of customs duty is avoided. Once a smuggler told a fighter, "I will give you money!" The fighter sternly retorted, "Money can do anything, that is what you believe. For a revolutionary fighter like me, the interests of the people are above everything." "The interests of the people are above everything" what fine words! This is the very core of the proletarian outlook on life and the proletarian world outlook. This world outlook has not come about of its own accord. It is the result of continuously strengthening education of this regiment over its cadres and fighters.

Teaching the masses of party members, especially the responsible cadres at all levels, to carry on the party's fine traditional work style and play an exemplary and leading role in the anticorruption struggle is one of the important contents of intensifying anticorruption education. For every party member, whether or not he can resist corruption is the touchstone of his party spirit. A revolutionary cadre or a party member cannot steadfastly serve the people, become a true pioneer of the proletariat and an example for the masses or lead them to forge ahead, unless he persists in boycotting the corrosive influence of bourgeois ideology and in consciously reforming his world outlook. The exemplary roles of responsible cadres and party members are very important. Recently, the press has reported the deed of Deng Rurui, director of the Changbu sugar refinery in Dan County, Hainan Island. In order to gain the opportunity of undertaking the capital construction project of the refinery, a person from a certain construction unit gave him a radio-cassette player and an electronic calculator and another construction unit gave him 200 yuan as a present. Deng returned all the presents and said sternly to the bribers, "What did you take a cadres of the Communist Party for? What you were doing was roping in and corrupting a cadre of the state." This actual deed of Deng's has inspired the cadres and masses throughout his refinery. Now they are relatively aware of boycotting unhealthy trends. Facts prove that as long as the party members and the responsible cadres at all levels take the lead in resisting corrosion and in carrying on the party's fine tradition and work style, it will be easy to put an end to unhealthy trends and evil practices and to establish healthy trends.

While intensifying anticorruption education, we should strictly enforce discipline and various regulations, implement various systems and also promptly investigate and handle cases of violation of discipline and regulations and criminal cases. In handling the existing cases, we should mete out party, government and criminal punishment where appropriate. So long as we combine ideological education with the efforts in enforcing discipline, we will be able to build an impregnable fortress to counter corrosion.

Our intensification of the anticorruption struggle does not mean a return to the old road of "closing the door of the country and isolating it." Nor does it mean regarding everything as bourgeois corrosion. We should make a clear distinction between right and wrong as well as fight against bourgeois corrosion. It is wrong to stick labels on people at will such as regarding it as the manifestation of a kind of bourgeois ideology to be fond of being better dressed or treating normal contacts as bourgeois corruption.

GUANGZHOU MILITIA HOLDS POLITICAL WORK MEETING

HK100526 Ghangzhou Guangdong Provincial Service in Mandarin 2330 GMT 7 Dec 81

[Text] Guangzhou PLA units recently held a 7-day conference on political work for the people's militia of Guangdong, Guangxi and Hunan. This conference, which closed 7 December, summed up and exchanged experiences, praised the advanced units, discussed how to carry out militia political work well in the new situation and further clarified the orientation and tasks for militia political work.

During the conference, the responsible comrades from the three subordinate military districts and Hainan Military District successively reported the political work situation in their districts. The armed forces department of Lianshan and Huazhou Counties as well as nine other advanced units introduced their experiences in militia political work. The participants earnestly studied how to correctly handle the relationship between militia work and socialist construction in the new period after the party's main work is shifted to socialist construction; how to go on doing a good job in militia work after the economic and production responsibility systems are implemented in factories and in the countryside; how to educate the militiamen to correctly handle the relationship between their personal interests and the interests of the collective, and the relationship between their immediate interests and long-term interests after the principle of material benefits is implemented; how to guard against the corrosive influence of bourgeois ideas and ways of life after the open-door economic policy is implemented and more contacts with the outside world are made; and how to achieve better results in militia political work. After discussion, they have further unified thinking and become more confident and full of vigor.

On 7 December, Wang Meng, political commissar of the Guangzhou units, and Yang Shugen, deputy political commissar, spoke at the conference. In his speech, Comrade Wang Meng called on the militiamen to take the lead in the following five aspects: building socialist spiritual civilization, checking unhealthy tendencies, resisting the corrosive influence of bourgeois ideas, preventing and overcoming the tendency of bourgeois liberalization and doing a good job in their units. Deputy Director of the Guangzhou units political department Chen Qingshan gave a summary report and Deputy Director Yu Xinghua read a notice of the Guangzhou units political department on praising the Anpu primary militia company in Lianjiang County and 53 other grassroots advanced units which have done militia political work well. He also awarded prizes to these units.

GUANGDONG AGRICULTURAL HARVEST STATISTICS NOTED

HK100633 Beijing ZHONGGUO XINWEN SHE in Chinese 0232 GMT 10 Dec 81

[Excerpts] Guangzhou, 10 Dec (ZHONGGUO XINWEN SHE) -- The outcome of this year's agricultural production in Guangdong is now known: according to initial statistics, total value of output has risen by 3.3 percent over last year. Total grain output is 33.636 billion jin, which is lower than last year. There have been notable increases in industrial crop output. Production of sugarcane and peanuts has been the highest in the past 30 years.

The main reason for the fall in grain output was that during the late rice growth period, most parts of the province were hit by typhoons, torrential rainstorms, the cold dew wind and cold waves. Although strenuous efforts were made to crash-save the crop, losses were relatively heavy. The early rice suffered drought during sowing in March and April, plus the lowest temperatures recorded for 72 years in May and June. The normal growth of the crop was thus affected. There were also three typhoons and one torrential rainfall. The biggest fall in grain production was registered in Zhuhai, where the decline was about 21 percent. Output fell by 16.4 percent in Foshan Prefecture and by varying degrees in Shantou, Guangzhou, Huiyang, Zhaoqing, Zhanjiang and Shenzhen.



According to our information, the situation regarding grain prices in the rural trade markets is: stability and fall in Shaoguan Prefecture and Hainan Island, and a slight rise elsewhere. The departments concerned have used grain warehouses and other channels to divert grain from surplus to deficit areas and stabilize the grain price.

A major reason for the increase in industrial crop output this year is that rational readjustments have been made in the cropping of grain and industrial crops in recent years, the sown area of industrial crops has been gradually expanded, and some new sowing areas have been opened up. For instance, Shantou Prefecture, the main tangerine-growing area, suffered losses because of typhoon damage this year, but output increases were recorded in the new tangerine areas of Dongguan, Zhaoqing, north Guangdong and elsewhere. As a result total value of output of the province's tangerine crop was 8.6 percent higher than last year.

Another reason for the notable rise in industrial crop output was that yields per mu increased as a result of universal institution of production responsibility systems and the strengthening of crop tending.

#### GUANGZHOU CIRCULAR ON APARTMENT ALLOCATIONS

HK100546 Guangzhou Guangdong Provincial Service in Mandarin 2330 GMT 7 Dec 81

[Text] The Discipline Inspection Commission of the Guangzhou Municipal CCP Committee issued a circular recently, demanding that party organizations at various levels pay serious attention to and take strong measures in checking the unhealthy tendencies in allocating residential apartments. The circular said: Since the municipal CCP committee and municipal revolutionary committee sent out a circular on 10 August on the allocation of apartments in the first half of this year, many units have done very well in accordance with this circular, but some leading cadres in a few units have paid no attention to it and continued erroneous practices such as "entering by the back door" and so forth. Some of them have even taken advantage of their position and power and got more and better flats for themselves through improper means. This has created very bad impressions both within and outside the party.

In order to strengthen leadership over this matter, it is necessary for a special group to be formed in each unit, consisting of leading cadres, specialized personnel and representatives from the trade unions and the masses, to supervise this work. It is necessary to act in strict accordance with the stipulations in the circular of the municipal CCP committee and municipal revolutionary committee and, as required by the circular, actually give priority to the four kinds of people who have difficulties in the matter of housing. After these four kinds of people have been settled, the rest of the apartments may be allocated to other people who also have difficulties. As to the work method, it is necessary to adhere to the mass line and adopt the principle of letting the masses discuss freely, having things approved by the higher authorities and openly announcing the allocations. We must make reasonable allocations so that the masses will be satisfied with our work.

The circular emphasized that those who act counter to the circular of the municipal CCP committee and municipal revolutionary committee and continue to practice fraud or graft will be checked, and in serious cases, disciplinary measures will be taken.

#### BRIEFS

GUANGDONG AGRICULTURAL MACHINERY -- Amid readjustments in the national economy, Guangdong Province has increased production of agricultural machines. As of the end of October, the province had fulfilled a total industrial output of 270 million yuan, overfulfilling the year's production quotas by 8.8 percent 2 months ahead of schedule. The total output was increased by 31 percent over that of last year. The province has also increased production of agricultural machines for export and presently some 60 kinds of agricultural machines have been exported, 20 kinds more than last year. As of the end of October, the total export output amounted to 59 million yuan, accounting for 22 percent of the total output of the province's agricultural machinery production. [Guangzhou Guangdong Provincial Service in Mandarin 2330 GMT 3 Dec 81 HK]



GUIZHOU HOLDS INDUSTRIAL, COMMUNICATIONS MEETING

HK110820 Guiyang Guizhou Provincial Service in Mandarin 2315 GMT 9 Dec 81

[Summary] "The Guizhou provincial people's government held a telephone meeting on industrial and communications production on the evening of 9 December. Principal leading comrades of the provincial CCP committee made important speeches during the meeting. Responsible comrades of the provincial financial committee also made speeches on the current situation of industrial and communications production and on how to do a better job of industrial and communications production. Since our province has implemented the spirit of the provincial industrial and communications work conference, staff and workers of the industrial and communications fronts have tried their best to bring about improvements in production. The total industrial output value in November increased by 0.81 percent over October, an increase of 13.58 percent over the same period last year. The total output value of light industry increased by 4.84 percent over the same period last year, and the total output value of heavy industry increased by 9.1 percent over the same period last year. At the end of November, the province had already fulfilled 91.27 percent of the year's quota and achieved the target of turning deficits into profits. In his speech, the principal leading comrade of the provincial CCP committee pointed out that we have tried our best to put an end to the passive situation in industrial production and stopped adopting a laissez-faire attitude toward industrial production, and it was predicted that we could overfulfill the year's quota."

"The principal leading comrade of the provincial CCP committee pointed out in his speech that all units must seriously implement the national financial policy and financial disciplines, and they should not indulge in any unhealthy practices. Anyone who violates the stipulation will be punished according to law. The financial departments of banks must supervise the work." He pointed out that in the coming year, we should raise our economic efficiency on the basis of doing a good job in improving economic effectiveness. Enterprises should attach importance to readjustment and must be resolute in doing a good job of fundamental work. The responsible comrade of the provincial financial committee pointed out in his speech that we must continue promoting production in the remaining days of this year. We must motivate all staff and workers to work with concerted efforts and overcome all difficulties so as to increase production in December. We must also do a good job in the preparation work for production in the coming year.

Furthermore, we must ensure that there will be sufficient supplies during the new year and the spring festival. We must do a good job of promoting production safety and leaders at all levels should attach importance to it. Finally, we must further strengthen leadership and improve our work style.

REFORM THROUGH LABOR CONFERENCE HELD IN YUNNAN

HK100530 Kunming Yunnan Provincial Service in Mandarin 1100 GMT 8 Dec 81

[Summary] "A Yunnan provincial work conference on reform through labor closed in Kunming on the afternoon of 7 December. The conference pointed out: Reform through labor work must contribute to basically improving the province's social order situation. The conference was held from 17 November and was the major meeting of the province's reform through labor front since the 3d Plenary Session of the 11th CCP Central Committee." The conference mainly studied the question of how to promote reform through labor work in the province in the new situation.

The conference held reform through labor is an important task which can directly affect stability and unity in the society. Therefore, doing a better job of reform through labor is a prerequisite for improving the social order situation. In connection with the actual situation of reform through labor work in the province, the conference seriously analyzed the province's present situation.

"Currently, most of the people in the province to be reformed through labor are common criminals and over 80 percent of them are youths and juveniles. Most of them have been severely poisoned by Lin Biao, Jiang Qing and the gang of four and seriously influenced and led astray by the corrupt bourgeois ideology. They are both victims and the ones who did harm to others." Cadres engaged in reform through labor work at all levels must fully understand this situation and enthusiastically help them reform by seriously implementing the principle of attaching primary significance to reform and secondary significance to production. "The province's work in reform through labor will be greatly improved next year. We must vigorously promote ideological and political work and build a strong cadre force which engages in reform through labor work, upholds the four basic principles, understands policies and practices good work style." In addition, it is necessary to construct young and vigorous leadership groups. Some 200 people from various departments and units concerned attended this conference. "During the conference, Comrade Meng Qi, vice governor and concurrently director of the provincial public security department, attended the conference, took part in the discussions and delivered a speech. Other responsible comrades at provincial levels were also present at the conference."

#### Commentary on Policy

HK100540 Kunming Yunnan Provincial Service in Mandarin 1100 GMT 8 Dec 81

[Station short commentary: "We Must Enhance Understanding and Correctly Implement the Party's Principle and Policy on Reform Through Labor"]

[Summary] "Yunnan Province has scored great successes in reform through labor work since the founding of the country, and has made great contributions to safeguarding social order, building socialism and consolidating democratic dictatorship of the people. In the new historical period, the party Central Committee has put forward higher demands for reform through labor work. Cadres engaged in reform through labor work in the province must fully understand that promoting this work is of great significance in bringing about a fundamental change for the better in social order, speeding up stability and unity, and safeguarding and building the four modernizations. They must fully understand the correctness of the party's principle and policy on reform through labor." They must arduously struggle and work hard to do a better job of reform through labor in the new period.

"The principle of 'attaching primary significance to reform and secondary significance to production' was formulated by Comrade Mao Zedong himself and the party Central Committee and has been proved correct after undergoing long-term tests." The crux of the party's principle for reform through labor is to turn all negative factors into positive ones and reform criminals into useful persons again by means of labor and political and ideological education. In the new historical period, the party Central Committee has demanded that we educate, change by persuasion and redeem the criminals. We must correctly handle the relationship between reform and production. In order to do a better job of reform through labor, we must eradicate the influences of leftist ideology, enhance understanding and correctly implement and fulfill the task of reform through labor in the new period.

#### BRIEFS

GUIZHOU RELIEF WORK -- According to a GUIZHOU RIBAO report, party committees and governments at all levels have led the masses to struggle against natural calamities. As a result, livelihood has become stable and the masses have been reassured. The whole province has already fulfilled 58.4 percent of the total grain procurement quotas. The province has done a good job of relief work because the party's correct principles have been profoundly popularized and implemented. The province had a total relief fund of 13 million yuan of which 8 million has been allocated by the State Council. The province has made use of this sum of money to buy more than 100 million jin of grain and distributed it to poor households in various areas. Many areas have paid particular attention to looking after dependents of martyrs and army men and scored good results. [Guiyang Guizhou Provincial Service in Mandarin 2315 GMT 15 Nov 81 HK]

HEBEI TO RECTIFY PLA IDEOLOGY, WORK STYLE

HK080757 Shijiazhuang Hebei Provincial Service in Mandarin 0400 GMT 30 Nov 81

[Report: "The Hebei Provincial Military District CCP Committee Resolves To Carry Out Rectification of Ideology and Work Style in Organs"]

[Text] Recently, after relaying and studying the spirit of talks given by leading comrades of the CCP Central Committee that party, government and army organs of the central authorities should set an example to the whole country, the Hebei Provincial Military District CCP Committee has resolved to further carry out the rectification of ideology and work style of organs of the Hebei Provincial Military District, enhance their revolutionary spirit, improve their work style and raise their efficiency so that they can become examples to all the district's PLA units and militiamen.

Starting from this year, the Hebei Provincial Military District has regarded studying and implementing the spirit of the third plenary session and the resolution of the sixth plenary session as a matter of fundamental importance in strengthening organs. Through rectifying ideology and work style, much change has taken place in the mental attitude and work style of the CCP committee members and organ cadres. At present, after studying instructions of leading comrades of the CCP Central Committee that high-level organs should set an example to the whole country, the Hebei Provincial Military District CCP Committee has demanded that all party members and cadres of organs of the military district should check their ideology and work to see whether they have a strong party character, whether they are doing ideological and political work properly, whether they are full of drive in their work, whether they are strictly observing discipline and have a good work style and whether they have bestirred themselves and adopted feasible measures to correct existing problems.

The Hebei Provincial Military District CCP Committee has put forth that we must set high demands on the work of strengthening organs. We must first improve organs of the headquarters and the political and logistics departments and all organs must become examples for PLA units and militiamen in implementing policies, observing discipline, enhancing revolutionary vigor, correcting work style and raising efficiency in work. We must rigorously improve organizational life and earnestly enforce the system of organizational life. Each party member, especially party members who are leading cadres, should all the more conscientiously, put themselves under the party's management and the masses' supervision. We must restore and carry forward the party's three major work styles. Particularly, we must truly take up the weapon of criticism and self-criticism. We must actively and effectively resist and struggle against the tendency of bourgeois liberalization that deviates from the four basic principles, the erroneous trend of seeking privileges that violates the guiding principles and various unhealthy trends. We must improve the work style of organs, reduce the number of meetings and documents, do more solid work and not indulge in empty talk. We must firmly grasp typical examples, sum up experiences and put forth solutions to questions such as how to strengthen the people's armed forces and how to improve militiamen's training, political education and the management of arms and ammunition under the new situation.

SHANXI RULES ON PERSONNEL REWARDS, PENALTIES

HK100759 Taiyuan SHANXI RIBAO in Chinese 30 Nov 81 p 1

[Report: "Shanxi Provincial Government Promulgates 'Provisional Methods for Rewards and Penalties and Penalties for State Organ Work Personnel'"]

[Text] In order to bring into fully play the initiative and creativeness of the work personnel of state organs, to conscientiously implement the party's line, policies and principles as well as the state constitution and laws, to better serve socialist modernization, and to prevent and rectify all actions in violation of discipline or in dereliction of duty, the provincial people's government recently promulgated the "provisional methods for rewards and penalties for state organ work personnel."



It was stipulated in the "provisional methods for rewards and penalties" that the following work personnel should be awarded prizes: anyone who is faithful, conscientious and efficient in the discharge of his duties and has made remarkable achievements; anyone who has made contributions either with new inventions or with creative ideas, has made good suggestions, or has actively spread advanced experience and technology, and has made remarkable achievements; anyone who has taken good care of public property and has made remarkable achievements or contributions in practicing economy, defending state and collective assets or in averting various accidents; and anyone who has waged resolute struggles against serious violations of laws, dereliction of duty and disruption of unity, and has made remarkable achievements in defending the interests and dignity of the state. The rewards include: having the term meritorious service recorded in one's personnel file or the term great meritorious service; being awarded the title model worker; being promoted to a higher grade; being promoted to a higher position; and receiving an order of commendation. These rewards can be given separately or at the same time.

It was also stipulated in the "provisional methods for rewards and penalties" that disciplinary measures should be taken against the following personnel who have violated laws or are derelict in their duties but their actions are not criminal: anyone who opposes or violates state policies, laws and decrees, and government decisions, orders, rules and regulations; anyone who has neglected his duties resulting in great losses; anyone who has acted counter to the principle of democratic centralism, and the decisions and orders of the higher authorities or has suppressed criticism or has practiced retaliation; anyone who has practiced fraud or deceived the organization in order to seek fame and flattery; anyone who has stirred up trouble, formed a faction and undermined unity; anyone who has departed from the correct stand and national integrity, and has harbored evildoers or injured the dignity of our country; anyone who has committed graft or embezzlement, engaged in speculation and profiteering, or appropriated state property; anyone who has wasted state assets or damaged public property; anyone who has taken advantage of his position and power, given or taken bribes, infringed upon the people's interests and injured the relations between state organs and the masses of people; anyone who has revealed state secrets; anyone who is a moral degenerate, has very bad influence on the masses and has thus done harm to the prestige of the state organs; and anyone who has committed other actions in violation of state discipline. The penalties include: issuing a warning, having the mistake recorded in one's personnel file or the serious mistake recorded, being reduced to a lower rank, being demoted to a lower position, being dismissed from one public employment but remaining at one's post to undergo observation, and being discharged from public employment.

#### SHANXI HOLDS MEETING ON COMPILING PARTY HISTORY

HK100252 Taiyuan Shanxi Provincial Service in Mandarin 2300 GMT 9 Dec 81

[Summary] Shanxi Province held its first meeting on compiling CCP history materials 5-8 December. The conference stressed: "Party committees at all levels must strengthen leadership, organize forces, and hurry to get hold of living materials on party history in the heads of old comrades."

The main aims of the conference were to convey and implement the spirit of the national meeting on this topic and to review, sum up and arrange the work in Shanxi. Luo Guibo, second secretary of the provincial CCP committee and head of the committee's leadership group for researching party history, spoke at the opening of the conference. He said: "The urgency in compiling party history materials is determined by the urgency in writing party history. Shanxi has a glorious history of revolutionary struggle and abundant materials on the history of the revolution. However, due to high mobility and bad environment during the war years, many documents and materials are still in the hands of various places or individuals, and still more are in the heads of old comrades. Hence, to hurry to get the living material in the heads of old comrades is a task that brooks no delay in compiling party history."



(Xie Qiaonai), executive vice chairman of the Central Committee's party history materials compilation committee, made a special journey to attend the meeting and speak. He introduced the experiences of some other provinces in carrying out this work.

The conference held: "It is first necessary to get hold of those old cadres, party members and comrades who know about the major historical conditions, visit them, and ask them to write memoirs. It is necessary to compile biographies of figures in party history and revolutionary martyrs, write up the major events in the province's local party history, and compile materials on each of the province's four revolutionary bases during the anti-Japanese war."

Provincial CCP committee executive Secretary Li Ligong delivered a summation at the conclusion of the conference.

The Shanxi provincial association for researching figures in party history was recently set up in Taiyuan. The members elected Comrade Luo Guibo honorary chairman and Comrade Hu Xiaoqin, chairman of the association.

#### TIANJIN INCREASES OUTPUT WITH FOREIGN CAPITAL

SK101002 Tianjin City Service in Mandarin 1430 GMT 9 Dec 81

[Excerpt] Tianjin has achieved remarkable economic results in utilizing foreign capital to import technology, renew equipment, improve product quality and increase product designs and varieties. Following the 3d Plenary Session of the 11th CCP Central Committee, many plants and enterprises in Tianjin have utilized \$111 million of foreign capital, including foreign exchange loans issued by Chinese banks, to build 123 production projects in the form of joint enterprises, cooperation and compensatory trade with foreign merchants. The construction period of these projects is, generally, 1 to 3 years.

Upon completion, and with the operation of these projects, Tianjin will annually realize an increase of 1.17 billion yuan of output value, 120 million yuan in revenue, and \$270 million of foreign exchange from exports. Among these 123 production projects, the construction of projects for producing wine from grapes, wrist watch, (Liuwan) cotton yarn spindles and 35 other projects have been completed. Some of them have been put into operation totally and the others are partially in operation.

Textile, garment, electronics and industrial chemical enterprises in Tianjin have achieved more remarkable economic results and increased in productive capacity more than others by utilizing foreign capital to import technology and renew equipment. Since 1978, textile enterprises have utilized \$58 million and 71 million yuan of renminbi to install an additional 100,000 cotton spindles, 14,000 woolen spindles, 600 cloth weaving machines, 250 woolen spinning and weaving machines and some equipment for sorting cotton, woolen and knit goods after they are dyed. With the operation of these machines and this equipment, Tianjin can annually increase output value by 550 million yuan, profits by 100 million yuan, tax revenues by 55 million yuan and foreign exchange from exports by 86 million yuan.

JILIN WORKER REGULATIONS ON SECOND LIGHT INDUSTRY

SK060950 Changchun Jilin Provincial Service in Mandarin 2200 GMT 5 Dec 81

[Excerpts] According to JILIN RIBAO, to develop the province's second light industry, the provincial CCP committee and people's government recently issued temporary regulations on some questions concerning collective enterprises in the second light industrial sector. The regulations point out: Collective enterprises in the second light industrial sector should orient their production to local conditions. They should fully exploit local resources and technical conditions and strive to increase production of daily consumer goods and small commodities. Vigorous efforts should be made to promote labor-intensive production and serve the people's livelihood, agriculture, industry and exports. They may break the boundaries between different areas, trades and ownership systems and coordinate with one another. However, they are not allowed to switch their ownership systems and subordinate superior relationships. It is necessary to protect and develop production of small commodities and farming implements. Collective enterprises producing these goods should not rashly suspend production and switch production lines. Industrial or commercial tax may be exempted for small commodities with moderate profit margins. Profit margins may be raised on some small commodities which are produced at a loss.

The temporary regulations emphasize that all collective enterprises should be independent accounting units assuming sole responsibility for their profits or losses. The temporary regulations urge collective enterprises to implement the principle of running enterprises industriously, thriftily and democratically. All major matters should be decided through discussions at workers congresses or meetings of workers. It is necessary to respect and expand the decisionmaking power of collective enterprises. They may recruit new workers or seasonal temporary workers within employment quotas on the basis of qualifications after discussions at the workers congresses. They are authorized to lay off temporary workers, fire workers or staff members who violate regulations and refuse to mend their ways despite repeated admonitions or readjust or make other arrangements for surplus workers. It is mandatory to acquire prior consent from the collective enterprise in transferring from or assigning cadres and workers to enterprises.

LIAONING'S GUO FENG ADDRESSES GRADUATES FORUM

SK100915 Shenyang Liaoning Provincial Service in Mandarin 1100 GMT 8 Dec 81

[Excerpts] Parents of college graduates who are holding leading posts in the departments, committees, bureaus and offices of provincial level organs and some graduating students met this morning at a forum to discuss ways to assign jobs for students graduating this year. The forum was jointly sponsored by the party committees of organs under the provincial CCP committee and the provincial people's government, and the party committees of the provincial cultural and education department and the provincial higher educational institution bureau.

This winter over 10,000 students in our province will graduate from colleges to work for the four modernizations. Assigning jobs for the graduates has become a rigorous test for the broad mass of graduating students and their parents.

Liu Yiyun, standing committee member and director of the propaganda department of the provincial CCP committee, and Wang Kuncheng, vice chairman of the provincial people's congress standing committee, introduced their experiences in forsaking their families and personal interests to join the revolution in their youth. They encouraged the younger generation to promote the fine tradition of the proletarian revolutionaries of the older generation in devoting themselves to the revolution, serve the needs of the revolution, the party and the motherland, abandon personal interests and properly handle the job assignment issue of the graduating students. Comrade Guo Feng, first secretary of the provincial CCP committee, delivered a speech at the end of the forum. He expressed the hope that the students who are children of leading cadres will have high aspirations, ideals and ambitions, will make contributions to socialism in their youth and will submit themselves to the state's job assignments. He encouraged them to be mentally prepared for working in the border areas, the countryside and the hardship areas. He called on leading cadres to be willing to part with their children to work in the hardship areas to serve the needs of the motherland.

NINGXIA PEASANTS REPORTEDLY JOINING CCP

HK091410 Yinchuan Ningxia Regional Service in Mandarin 2300 GMT 8 Dec 81

[Text] According to a NINGXIA RIBAO report, many peasants in (Tongye) commune in Helan County in the region have asked to join the CCP since the implementation of the production responsibility system. Since 1 July 1979, 42 peasants have been admitted as party members by the commune CCP committee. Since the implementation of the production responsibility system, (Tongye) commune has increased grain production. Grain production this year increased by nearly 200 percent over that in 1979, and oil-bearing crops production by 250 percent. Both the state and the collective have increased financial revenue, and the commune members' living conditions have been greatly improved.

Seeing the party achieve victory after victory since the 3d Plenary Session of the 11th CCP Central Committee, the peasants profoundly realized the correctness of the party's policies and the superiority of socialism. Many of the commune members who asked to join the CCP have displayed their enthusiasm by doing good deeds. Party branches of all brigades have enthusiastically helped and trained those comrades who applied to join the party. Party branches in five brigades, including (Tongjie), (Minle), (Qingwa) and so on, have conducted classes for the newly admitted members on the party constitution, the party guidelines and the party's guiding principles in order to enhance their ideological awareness and their understanding of the party.

After (Wu Po), a peasant in (Dingguo) brigade, applied to join the party, the brigade party branch secretary (Zhang Bin) and the commune CCP committee secretary (Yang Deling) talked with him many times and provided him with material to study. (Wu Po) thus set strict demands on himself in accordance with the demands of the party members and overcame nonproletarian thinking. Finally, (Wu) was admitted as a party member last year.

SHAANXI RIBAO DISCUSSES RURAL LABOR POLICY

HK101456 Xian SHAANXI RIBAO in Chinese 2 Dec 81 p 3

[Article by Shen Zhaohua [3088 3564 5478]: "Do a Good Job of Stabilizing the Agricultural Labor Force"]

[Text] Over the past few years, it has been an important policy of the state to exercise strict control over the recruitment of workers from rural areas. Some comrades do not understand this policy well enough and have raised some doubts about it. Therefore, it is imperative to clearly understand this policy both theoretically and practically.

The movement of agricultural manpower to industry (nonagricultural production) is decided by the level of the development of agriculture. This is a universal economic law. The production of food is of primary importance for the existence of the human race and for carrying out any other production. Agriculture is an economic sector that produces food and other basic means of subsistence. In analyzing the surplus labor in agriculture, Marx pointed out that agricultural labor productivity that exceeds the laborers' personal needs is the basis of any society. This means that the prerequisite for any society to transfer its agricultural manpower to nonagricultural sectors is an increase, compared to the past, in agricultural products. The history of the development of society has proved to us that social division of labor has been developed on the basis of an agricultural labor productivity that exceeds the laborers' personal needs. If all the products of agricultural labor are only sufficient to meet the needs of the agricultural laborers' subsistence, social division of labor is impossible. Marx pointed out "all the labor of the part of the people engaged in agriculture in a society, including necessary and surplus labor, must supply the food needed by the whole society, including the food needed by the nonagricultural workers.



"This makes it possible to carry out the great division of labor between those engaged in agriculture and those engaged in industry and also makes possible the division of labor between the peasants who produce food and those who produce raw materials." ("Das Kapital," vol 3, p 716) The development of the social division of labor not only intensified the socialization and specialization of production, but also provided a sound basis for the rapid development of a commodity economy. The development of a commodity economy has turned the production of a kind of product and even a certain part of a kind of product into a specialized department. Because the social economic structure is determined by the social employment structure, the emergence and development of a non-agricultural sector will inevitably bring about a corresponding transference of labor. As Lenin said, "The development of a commodity economy itself means that an increasing part of the population is separated from agriculture; that is to say, it means an increase of industrial population and a decrease of agricultural population." ("Selected Works of Lenin," vol 1, p 163) So we can see that the level of the development of agriculture is the final decisive factor in the transfer of agricultural labor force.

The transfer of the agricultural labor force to industry in a capitalist society and that in a socialist society differ completely in their forms.

In a capitalist society, the capitalists possess the means of production and labor is a commodity. The aim of production is to exploit the surplus labor and to increase capital. Therefore, the production of the whole society is in an anarchic state. In this case, the adjusting role of the law of value is used blindly and compulsively. The ratio of the various economic sectors and the structure of employment thereby decided are repeatedly destroyed and then take shape of their own accord. In the eyes of a laborer, this transfer is under the control of an alien and antagonistic force. This transfer is realized by repeatedly depriving and driving away the agricultural laborers and making them destitute and impoverished by means of economic and extra economic compulsion. The blind transfer of destitute peasants constitutes one of the major causes for the emergence of an urban unemployed population and the waste of labor resources.

In a socialist society the means of production is publicly owned and the economy is a planned one. Labor is no longer a commodity. The proportional relationship between the various sectors is consciously adjusted through planning. The transfer of agricultural labor is accordingly carried out consciously in a planned manner. As Marx said, "The economics of time and the planned distribution of work time between different sectors of production remain the chief laws in a society with a collective basis. These laws may even be said to have an extremely high degree of relevancy." ("A Contribution to the Critique of Political Economy," vol 1, p 112) This is a basic characteristic that distinguishes the socialist economy from a capitalist one. It is precisely for this reason that in a socialist society the transfer of the agricultural labor force will not give rise to unemployment and to deprivation of agricultural laborers. On the contrary, it will enable a fuller utilization of the labor resources and ensure that the income of the laborers is increased.

The strict control of the recruitment of workers from rural areas at present conforms to the level of our agricultural development. Peasants make up 800 million of our country's 1 billion population. This population composition reflects the backwardness of the economic features and the underdeveloped level of production in our country. As Lenin said: "The population of a country in which the commodity economy is somewhat underdeveloped (or completely underdeveloped) is almost entirely agricultural." ("Selected Works of Lenin," vol 1, p 163) At present, the production in our rural areas is technically backward and most of the work is done by manual labor. The labor productivity is very low and only about 15 percent of the grain output enters the market as pure commodity. Over 300 million rural laborers cannot even supply society with enough commodity grain to meet the needs of 160 million nonagricultural workers or that of industrial production.



This backwardness in our agriculture seriously hampers development of our national economy and the transfer of the agricultural labor force to industry. In the past, we failed to sufficiently understand the principle that agriculture is the basis and committed quite a few mistakes in economic construction. In 1958, we launched the Great Leap Forward and went all out in making steel. The battle line of capital construction was greatly extended and a great deal of the agricultural labor force was transferred to industry. The number of staff and workers suddenly doubled and the proportion of the agricultural labor force in the whole labor force of the society greatly dropped, changing the employment composition abruptly. As a result, serious difficulties were inflicted on economic construction and the people's livelihood. In 1961, the CCP Central Committee put forth the policy of "readjustment, consolidation, filling out and raising standards" to strengthen agriculture which was the first line. Then the employment structure gradually became rational and the national economy began to pursue a course of healthy development. Owing to the fact that the leftist mistakes in economic construction was not completely rooted out, large-scale recruitment of workers from rural areas reoccurred in 1971 and 1972, causing a sharp increase in the number of staff and workers, an increase in the amount of grain needed to purchase, which exceeded the level of agricultural development. This resulted in serious setbacks in economic construction. In 1973, we had to reduce the number of staff and workers a second time. The overturning of the cart in front is a lesson for those behind. We should remember well the above experience and lessons that we have paid dearly for.

At present, the national economy is undergoing readjustment and the scale of capital construction is being reduced. Some of the enterprises have been closed, suspended, or merged and some have shifted the lines of the products they produce. The organization of quite a few enterprises are still inflated and overstaffed. Moreover, there are still a large number of people awaiting employment in urban areas. Under these conditions, doing a good job of stabilizing the agricultural labor force is of great significance in developing the wonderful situation of stability and unity and in boosting the continuous and smooth growth of the national economy.

#### SHAANXI PROMOTES INDUSTRIAL READJUSTMENT

HK050759 Xian Shaanxi Provincial Service in Mandarin 0500 GMT 5 Dec 81

[Text] According to SHAANXI RIBAO, the industry and communications front in the province has further implemented the readjustment principle and scored new achievements this year. From January to the end of October, the province closed, suspended, amalgamated or switched to other production 119 enterprises at and above county-level. Including the figures for the previous 2 years, the province has now dealt with 362 enterprises. There have been several notable features in this work this year:

1. Not many enterprises have been closed or suspended, while many have been amalgamated or switched to other production. Of the 119 enterprises dealt with this year, 79 percent have been amalgamated or switched to other production, as a result of which they have very rapidly formed new productive capacity.
2. Enterprises have been readjusted in connection with the reorganization of the machine-building industry. In the course of readjusting this industry this year, the province has amalgamated or switched to other production 39 machinery plants including the Shaanxi film equipment plant, Changan oil-pump plant and Qinling tractor plant. This has played a stimulating role in improving the province's industrial structure and product mix.

3. Prominence has been given to developing consumer goods production. Of 94 enterprises amalgamated or switched to other production this year, 70 have been amalgamated or switched into the development of consumer goods. Most of them have switched to producing textiles, sewing machines, clocks and watches, television sets, clothing, shoes, hats, furniture and so on. This measure has played a good role in meeting the people's needs, stabilizing the markets and increasing financial revenue.

4. Major projects have been promoted and economic effect stressed. The enterprises readjusted this year began tackling some relatively big projects to increase output value and accumulation. It is estimated that after the 8 projects started by switching enterprises to textiles this year are put into operation, they will increase output value by 214 million yuan and accumulate 54 million yuan.

#### XINJIANG FORUM ON INDUSTRY POLITICAL WORK

HK050527 Urumqi Xinjiang Regional Service in Mandarin 1300 GMT 4 Dec 81

[Text] According to XINJIANG RIBAO, the industry and communications department of the regional CCP committee recently held a forum on political work, which pointed out that the central task of party organizations at all levels in the industry, communications and capital construction systems is to do a good job in ideological and political work in the enterprises and among the workers, improve the situation of laxness and weakness in leadership work, adopt strong and effective measures to overcome bourgeois liberalization and other erroneous trends, and guide the workers of all nationalities to work in concert to fulfill the task of economic readjustment and strive for still greater success in industry, communications and capital construction this year. Regional CCP committee Second Secretary Gu Jingsheng spoke at the meeting. Secretary Huang Luobin delivered a summation.

The meeting put forward five demands for strengthening ideological and political work in the industry, communications and capital construction systems:

1. Uphold the four basic principles. It is necessary to carry out serious and correct criticism and launch the necessary appropriate struggle against bourgeois liberalization and other erroneous trends.
2. During the current readjustment of the national economy, it is necessary to vigorously carry forward the party's fine traditions in unfolding political and ideological work, uphold the principle of politics in command, and closely combine political and ideological work with economic measures. It is necessary to teach the workers to establish the feeling of responsibility in being the masters, to boldly shoulder heavy burdens, and to make more contributions to the four modernizations.
3. Bring into full play the role of the party branches as powerful fighting forces and the role of party members as vanguards and models, and carry out extensive education for the workers by positive example. It is necessary to grasp typical examples, set up models, give wide publicity to progressive figures and experiences, and lead all work forward by means of typical examples.
4. Promote the party's organizational building and the building of the political work organs.
5. Summon up the greatest resolve to rectify the leadership groups at all levels in the industry, communications and capital construction systems. It is first necessary to carry out ideological building. The necessary organizational readjustments must be done. Enterprise party committee secretaries and plant managers must be selected and assigned. It is necessary to boldly promote and employ outstanding middle-aged and young cadres.

TA KUNG PAO VIEWS CCP-KMT ECONOMIC COOPERATION

HK090814 Hong Kong TA KUNG PAO in Chinese 8 Dec 81 p 2

[Special feature by Cheng Yuan [4453 6678]: "Economic Outlook on Both Sides of the Strait"]

[Text] In Beijing the Fifth NPC is holding its Fourth Session and in Taipei an economic meeting was held 4-6 December. Without prior consultation, discussions at both meetings have centered on economic plans, and both have laid stress on how to readjust the economy and how to achieve steady development.

Prospect for the Economic Construction on the Mainland

Economically, both sides of the strait have their respective strong points and are faced with their respective difficulties. Though the two meetings are similar in what they have stressed, they differ widely in the nature of the difficulties facing them, the methods of readjustment and the prospects for development. From a comprehensive and long-term point of view the Beijing side has the edge.

The economic construction on the mainland of the motherland has already been on a new road of steady development after 3 years of large-scale readjustment. In his government work report last week, Premier Zhao Ziyang declared that China will begin a new epoch of vigorous development by the 1990's. There will be considerable speed and practical effectiveness in the development of our economy. The living standard of our people will be greatly improved. The education, science, technology, culture and national defense of our country will all be raised to a new level. At that time, our country will set out from that new starting point and will develop more quickly so as to be ranked among the relatively developed countries.

All those attending the meeting are of the opinion that this target of vigorously developing China will certainly be achieved, since we have such rich resources on the mainland, an all-round economic basis, diligent people and correct specific and general policies.

Taiwan's Economy in the 1980's

If we look back at Taiwan's economy since the beginning of the 1980's, we will see a picture of decline from a "golden age" to "a predicament of having difficulties everywhere." The annual economic growth rate in Taiwan dropped from 8.1 percent in 1979 to 6.6 percent in 1980. The budgetary growth rate this year is 8 percent, but according to the official estimate the real growth rate achieved will only be 5.5 percent. As some economists and entrepreneurs pointed out, "It seems that the present economic situation in Taiwan is tumbling to the bottom of depression." What worries them is that the "economic growth of Taiwan is a political problem. Slow growth will damage its international prestige and weaken its strength in national defense and in other respects. In fact, what should really cause them concern is not "that it will damage its international prestige," but the inevitable results of their clinging to relying on foreign countries. The data given at the meeting shows that the favorable factors in Taiwan's economy are gradually disappearing and the unfavorable factors are increasing. A special feature in LIEN HO PAO pointed out that at present there are four unfavorable factors for Taiwan's foreign trade on which it depends for its existence. The four factors are "the mild depression of the world economy, the rapid catching up of the developing countries, the CCP's economic united front strategy abroad and the failure to be completely rational in the composition of our products." Except for CCP's economic united front strategy, which is quite irrelevant, the other three factors have all struck home. (Of course, Taiwan cannot be called a country.) Those who attended the meeting have proposed various schemes for "overcoming the present crisis," but none of them can perform a miraculous cure. Even the Taiwan authorities complained that "some of the proposals look a little trifling" and gave them a feeling of "imperfectness."



The basic cause for the "predicament" that Taiwan's economy has sunk into lies in its innate shortcomings and its acquired imbalances. The industrial basis of the province is fragile, and Taiwan has to rely on foreign investment. Thus it lacks the ability to be self-sufficient. As soon as there are some troubles in the world, Taiwan will be "surrounded with difficulties" and it will be "hard for Taiwan to find a way out." That was why Wang Yong-ching, an entrepreneur in Taiwan, was of the opinion that the situation was not so simple as described in the slogan "Seeking development in the course of stabilization and seeking stabilization in the course of development." This, after all, was an insightful opinion.

#### It Is Time for Each Party To Use the Strong Points of the Other Party To Overcome Its Weak Points

How can Taiwan's economy find a way out? The way out is right before its very eyes. It is to face reality and pluck up courage. Roughly speaking, what the mainland excels in is what Taiwan is inferior in and what Taiwan is good at is often what the mainland is not good at. For example, Taiwan lacks energy resources and has to spend billions of dollars to import oil and coal, but close at hand on the mainland there are abundant energy resources, which are more than enough for the use of the people there. The mainland is willing to supply energy to Taiwan at a preferential price. It welcomes Taiwan investors to invest in the exploitation of energy resources on the mainland. Why should the Taiwan authorities buy at a higher price from afar when a lower price is available close at hand? Another example is that Taiwan suffers most from the pressure of protectionism, but the mainland can provide the broadest market for Taiwan's commodities. During the first 8 months this year, trade between the mainland and Taiwan through a third party totaled HK\$1,839 million. If the two parties can trade directly at will, Taiwan will immediately be brought out of its "predicament." A third example is that the mainland lacks economic management personnel and experience. In this respect, Taiwan can render its assistance to the mainland. It is a pity that Taiwan attends to trivialities and neglects fundamentals, and seeks from afar what it can get close at hand. We cannot help asking the question: Will it be much better for compatriots with blood relations to utilize each other's strong points to overcome the other's weak points and to share the same lot in fair weather and in foul so as to achieve national prosperity?

#### Reunification and Unity, a Way To Seek the Help of Heaven Through Self-Help

Undoubtedly, help from abroad is important. The mainland is vigorously drawing in foreign capital on the basis of self-reliance. However, money cannot determine everything. Foreign assistance will be of no effect if the Chinese fail to help themselves. Therefore, what is the most important, the most reliable and the most powerful is the great patriotic unity of a billion people. As Chairman Hu Yaobang said, "Heaven will only help those who help themselves. No one can help those who destroy the Great Wall themselves out of difficulties and danger, no matter what unrealistic slogans they chant." These words were spoken out of the deep feeling of blood relations and from the bottom of the heart. In the face of the great cause of reunification, all old scores between parties, factions and individuals become trifles. People of insight are not few in Taiwan and the strength of the Taiwan people can never be underestimated. It would be better if the Kuomintang authorities controlled their "childish dispositions."

#### MING PAO REPORTS CADRES' VIEW ON COMMUNIZATION

HK081031 Hong Kong MING PAO in Chinese 6 Dec 81 p 2

["Beijing Newsletter": "Secretary of Wudu Prefectural CCP Committee in Gansu Says Mao Zedong's Strategy Went Awry, Communization Did Great Harm"]

[Text] As reported by the latest issue of XIN GUANCHANG magazine which has just arrived in Hong Kong, Feng Jixin, the acting first secretary of the Gansu Provincial CCP Committee said, "Comrade Zhong Yongtang is good at using his brains and his mind is very emancipated."



Zhong Yongtang is the secretary of Wudu Prefectural CCP Committee in Gansu. He is 56 years old. Wudu Prefecture was the first prefecture in Gansu to comprehensively practice the responsibility system with overall contracts as the dominant factor. In the spring of 1979, some people published articles in newspapers opposing fixing output quotas for each group. This resulted in confusion in rural areas. Zhong Yongtang remained firm in his convictions. He immediately sent "tranquilizers" to all communities, saying: Continue to act according to what you think is correct. A year later, a responsible person in Beijing delivered a speech opposing fixing output quotas for each household. This again caused confusion. However, Zhong Yongtang remained unruffled. The outcome of what he had done was gratifying. Wudu Prefecture had the best spring festival this year since liberation.

During an interview with XIN GUANCHANG reporters, Zhong Yongtang said with a good sense of propriety, "Even before the smashing of the 'gang of four,' we already sensed that the people's commune was not quite successful. Since the setbacks we experienced in 1958, hardly any production teams have been able to regain their strength. We did try to find a new approach. In 1978, we criticized 'large in size and collective in nature [of people's communes]' and attempted distribution according to work. Enthusiasm was aroused somewhat, but the problems were not yet solved. In 1979, many localities practiced dividing into groups for work and assigning each group full responsibility for task completion, thus changing from 'a big pot' to 'two pots'. The masses said that another 'big' was added, that is, another 'father' -- group leader -- was added. There were still many problems unsolved."

When Zhong Yongtang was asked why the masses here were so much in favor of the contract system, he answered after thinking it over for a short while, "frankly speaking, this is because the collective economy here does not work." He went on to say that the advanced agricultural producers' cooperative movement was launched in 1956 when individual farming households still accounted for over 70 percent of the total number of households in Wudu Prefecture. "When the advanced producers' cooperatives were still in a state of confusion, 'communization' came all of a sudden. The 15-year plan for China's collectivization made by Chairman Mao was 'fulfilled' in a twinkling." Zhong Yongtang said bitterly, "This was not speed but a strategic failure! A great number of draft animals died, production was seriously impaired and the commune members' enthusiasm for labor was low. They were not eager to work in the fields. Women made shoe soles and men loafed on their jobs. As soon as it was time to knock off, everybody raced home!"

"The Chinese peasants are too simpleminded!" said Zhong Yongtang with a sigh. "They had no alternative but resisted passively. They said that we were running the collective economy more and more 'blindly.' 'There is the collective but no economy.' There was no profit for them in participating in labor. Those who had nothing to eat waited for relief. After all, it was the peasants who went starving and begging." Therefore, he said, "their strong demand for the contract is not at all coincidental but inevitable. It is independent of man's will. Not only 'three-reliance' teams are in favor of them, 'intermediate' teams have the same idea."

However, some people are not willing to practice the system, saying that this is "retrogression." Zhong Yongtang said, "the well-fed do not know how the starving suffer. They have had their fill of eating and drinking. They are enjoying high positions and are living in ease and comfort. No wonder they are sitting in large sofas saying fine things. If they had starved as the peasants have been starved here, what would they say? Besides, some comrades have stressed the need for 'some unification.' It seems that without 'some unification,' a collective is only one in name."

Zhong Yongtang summed up this question, saying, "After doing away with various kinds of 'unified' measures, the masses feel happy and those who profit at other people's expense feel sad. A production team leader once asked me point-blank, 'If you assign households full responsibility for task completion and no unified measures are adopted, what am I going to eat?' What he said gave away a secret. Nevertheless, he was sincere. Others were extremely sly. They said in a high-sounding way, 'If you practice the contract system and prohibit adoption of unified measures, are you not negating all the achievements of collectivization advocated by Chairman Mao?' Some very muddleheaded 'leading cadres' are particularly fond of listening to what these types of people say and think that they are 'safeguarding Chairman Mao's revolutionary line!'" Zhong Yongtang held that such cadres are not the minority. Past education of various kinds has failed to make a change in them. At present, we are practicing the contract system and most of them have to change because they have lost the soil for profiting by other people's toil.

Zhong Yongtang stated: "The three-level ownership by the commune, the production brigade and the production team, with the production team as the basic accounting unit" was the product of superficially correcting the ultraleftist errors of "large in size and collective in nature" and the "communist wind." At present, those comrades who obstinately stick to the viewpoint that the "spirit" is primary are precisely those who liked ultraleftist slogans most in the past. Therefore, they have now said with a heavy heart, "After practicing the contract system, production has increased but the general orientation is wrong." This reminds us of a slogan put forth in 1959 by Liu Fenghao, secretary of Shandan County CCP Committee at that time: "We would rather eat grass than let the red flag fall!" Consequently, many people died of starvation. The "gang of four" also said: "We prefer socialist grass to capitalist rice seedlings!"

Zhong Yongtang unequivocally held: The true general orientation of socialism in rural areas is to steadily readjust the relations of production and we should never retrace the old road of "large in size, collective in nature and equal". Zhong Yongtang said: "The three-level ownership by the commune, the production brigade and the production team, with the production team as the basic accounting unit" has many drawbacks and must be reformed. This "prohibited zone" will sooner or later be broken through and this trend is irresistible. At present, we are practicing the contract system. The tasks of a production team are few and only the shell of it remains. The development of various kinds of integrated bodies is also pounding at the production teams. "Whether or not the production teams will be replaced depends on how the situation develops."

Zhong Yongtang once worked in the Organization Department of the CCP Central Committee. It was only natural that he touched upon the question of cadres. According to his observations over many years, he discovered that some rural cadres who had reached maturity during the land reform or during the cooperativization period had a poor capability and were poorly receptive to the emergence of new things. Some of them relied solely on the "three-in-one" work style in the past -- shouting at others to go and work; going to the field in a line; working in an unplanned way. Some of them remained to be "four-in-one" -- they concurrently acted as team leaders, accountants, workpoint recorders and storekeepers. Some of them had worked for over 10 years without a book to keep accounts. "You can well imagine where they will lead the collective economy to!"

"Up till now," Zhong Yongtang finally stressed, "some team cadres are not yet clear as to what the third plenary session is. They even ask: 'Has the CCP Central Committee gone revisionist?' They are suspicious of the contract system. Moreover, this system has encroached on their interests. This is the reason they cannot accept it. If these people refuse to be of one heart and mind with the masses, it will be impossible for them to work as 'leaders.'"

WEN WEI PO ON DRAFT FOREIGN ENTERPRISE TAX LAW

HK091500 Hong Kong WEN WEI PO in Chinese 8 Dec 81 p 2

[Special feature by contributing correspondent Cheng Hsiang [4453 5046]: "What Favorable Treatment Will Foreign Investment Enjoy Under the Tax Law?"]

[Text] A plenary session was held yesterday during the Fourth Session of the Fifth NPC. It listened to a detailed description of the "foreign enterprise income tax draft law" by Yang Shangkun, vice chairman of the NPC Standing Committee. It studied both the draft law and a written statement by Vice Minister of Finance Xie Ming explaining the draft law. The draft law contains many points.

1. Definition. A so-called foreign enterprise means an organization which has established offices in Chinese territory or foreign companies and enterprises and other economic organizations which operate independently or which cooperate with Chinese enterprises in matters of management and production. What remains of the total income of these foreign enterprises in each fiscal year, after the costs, expenses and losses are deducted is the taxable balance.

2. Tax rates. (Already reported by XINHUA) [For the XINHUA English report on the draft income tax law, see the item entitled "Coverage of 4th Session of 5th NPC Continues," subtitled "Draft Foreign Income Tax Law," on page K 2 of the 7 December China DAILY REPORT.]

3. Measures for tax exemption and favored treatment. The tax law also refers to cases which, in the levying of taxes, are most in need of encouragement and special treatment. For example, those enterprises that engage in farming, forestry, animal husbandry and other operations that allow a relatively small margin of profit may be exempted from [state] income taxes and local income taxes in the first profit-making year and allowed a 50 percent reduction in the second and third years. Over the next 10 years, they may be allowed a 15 percent to 30 percent reduction in income taxes, subject to approval by the authorities concerned. Also, interest paid on loans granted by international monetary organizations to the Chinese Government and the national Bank of China and on loans granted by foreign banks to the national Bank of China at preferential rates will be exempted from the payment of withholding taxes. Also, for those foreign enterprises which operate on a small scale and only have a small margin of profit, people's governments of provinces, municipalities and autonomous regions may grant appropriate reductions in taxes or exemption from local taxes, doing so in accordance with the state's policy and the requirements for economic development of a given area.

4. Regarding the imposition of withholding taxes, those foreign companies, enterprises and other economic organizations which have no branch in China but which derive income in China from stock dividends, interest, rentals, royalties and other sources should pay an income tax of 20 percent. The amount payable in tax is to be deducted by the unit concerned before each payment is made to the foreign company. Such taxes are generally known abroad as withholding taxes, or income taxes deducted at their sources.

There are several advantages of this method of taxation. First, irrespective of nationality or trade, all foreign enterprises, including oil companies, are subjected to one method of taxation, which is compatible with the usual international practice. In this way, income taxes that foreign enterprises pay in our country can be offset against taxes to be paid to the governments of their own countries, including the United States. This lays a legal foundation for the signing of a treaty between the Chinese and other governments to avoid double taxation. The imposition of progressive income taxes on foreign enterprises allows a varied combination of [state] income taxes and local income taxes based on the different conditions of large and small enterprises.



Some large oil enterprises with an annual income generally above 10 million yuan can be taxed at 48.75 percent. Joint ventures in Guangdong, Fujian and other areas, with their annual income mostly below 500,000 yuan, can be taxed at only 30 percent to 32.5 percent. These rates are not only lower than the income tax levels in the United States, Japan, France and other developed countries but also lower than those in Thailand, the Philippines, Indonesia, Singapore, Malaysia and other developing countries. Third, the imposition of a 10 percent local income tax on the income of foreign enterprises means that they will be paying an extra 10 percent in taxes, or around 7 percent more than the taxes levied on the income of Chinese-foreign joint enterprises. This is chiefly because the imposition of taxes on the profits of foreign enterprises remitted abroad is taken into consideration.

Our basic tax rates range from a minimum of 20 percent to a maximum of 40 percent. With a 10 percent local tax added, the actual tax burden ranges from 30 percent to 50 percent. In neighboring developing countries, there are also both basic taxes and surtaxes. The total tax rates respectively imposed by the five ASEAN countries are: between 38 and 56 percent in Indonesia; between 40 and 49 percent in the Philippines; between 40 and 51 percent in Thailand, 45 percent in Malaysia and 40 percent in Singapore. Therefore, it can be said that our tax rates are somewhere in the middle and on the low side. For some medium-sized and small enterprises, our tax rates are especially more attractive. For example, for medium-sized and small enterprises with an annual income below 1 million yuan, the total tax burden in China is 37.5 percent, compared with 40 percent in Singapore, 45 percent in Malaysia, 48.8 percent in the Philippines, 50.5 percent in Thailand, 54.9 percent in Indonesia, and 54.8 percent in South Korea. Therefore, for medium-sized and small enterprises, our tax rates are relatively low.

#### LIAO CHENGZHI DISCUSSES SPECIAL ECONOMIC ZONES

HK050237 Hong Kong TA KUNG PAO in Chinese 5 Dec 81 p 1

[Dispatch from correspondents Li Tsung-Ying and Hou Tung-ha: "Liao Chengzhi Urges a Still Greater Free Hand in Special Economic Zones"]

[Text] Beijing, 4 Dec -- Liao Chengzhi said at a full meeting of the Guangdong provincial NPC delegation that he holds that in future we should continue to "release," and some places have not yet done so to a sufficient extent; for instance the special economic zones can decide on special laws which will become valid so long as they report them to the central authorities for the record. All the party need do is to ensure the ideological field and the basic policies in the special economic zones.

Liao Chengzhi also said, when Overseas Chinese return to the motherland, they should not be treated as "second-class citizens" or regarded as lower in status than foreign guests. He wondered whether Guangdong and Fujian Provinces could give high pay and conditions to Overseas Chinese returning there to work.

He also said, one of the nine points regarding Taiwan welcomes Taiwan compatriots to invest in the mainland, and he wondered if Guangdong and Fujian Provinces could take the lead in this respect.



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